United Nations

Executive Board of the United Nations Development Programme/United Nations Population Fund

Report of the Executive Board on its work during 2004

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Official Records, 2004
Supplement No. 15

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Part one
First regular session

Held at United Nations Headquarters in New York from 23 to 30 January 2004

I. Organizational matters

1. The first regular session 2004 of the Executive Board of UNDP and UNFPA was held at United Nations Headquarters, New York, from 23 to 30 January.

2. The Executive Board elected the following members of the Bureau for 2004:

President: H.E. Mr. Abdullah M Alsaidi	(Yemen)
Vice-President: Ms. Gabriela Tanjala	(Romania)
Vice-President: Mr. Marco Balarezo	(Peru)
Vice-President: Mr. Thure Christiansen	(Denmark)
Vice-President: Mr. Félix Mbayu	(Cameroon)

3. Upon his election, the new President made an introductory statement that was posted on the web site of the Executive Board secretariat at www.undp.org/execbrd.

4. At the session, the Executive Board approved the agenda and work plan for its first regular session 2004 (DP/2004/L.1 and Corr.1), as orally amended, and its annual work plan 2004 (DP/2004/CRP.1). The Executive Board also approved the report on the second regular session 2003 (DP/2004/1).

5. Decisions adopted by the Executive Board in 2003 appeared in document DP/2004/2, while decisions adopted at the first regular session 2004 were included in document DP/2004/15, which could be accessed on the web site of the Executive Board secretariat at www.undp.org/execbrd.

6. The Executive Board agreed in decision 2004/12 to the following schedule of future sessions of the Executive Board in 2004:

Annual session 2004:	14 to 23 June 2004 (Geneva)
Second regular session 2004:	20 to 24 September 2004

7. With regard to reporting at the annual session of the Executive Board, the Assistant Administrator and Director, Bureau for Resources and Strategic Partnerships, informed delegations that the annual report of the Administrator 2003 would provide synthetic aggregate information on programme results and achievements, and focus specifically on the final status of the Administrator's Business Plans, 2000-2003.

8. He added that, in accordance with a request by the Board, UNDP, in collaboration with UNFPA and UNIFEM, would provide the Board with joint proposals for a harmonized reporting structure for the results-oriented annual report (ROAR), which if approved by the Board at its annual session in June 2004 would set the pattern for future reporting.

Statement by the Administrator

9. The Administrator opened his presentation to the Executive Board by remembering UNDP staff members who had died while serving the organization, and reaffirmed his commitment to taking the necessary steps to protect staff in the field.

10. Delegations requested that in future sessions a hard copy of the Administrator's address to the Executive Board be provided to delegations in advance to allow for more tightly focused deliberations.

11. They commended the Administrator for a clear, concise opening statement that eloquently outlined the main challenges facing UNDP in the coming years. They were particularly heartened by what they termed his visionary strategy and forecast for the work of the organization in the coming decade leading up to the Millennium Development Goal (MDG) deadline of 2015.

12. Delegations concurred with the Administrator's focus on a number of key areas necessary to ensure the continued, strengthened relevance of UNDP in a rapidly evolving international environment. Those included the promotion of a mutually reinforcing relationship between the poverty reduction strategy papers (PRSP) and the MDGs; a clear definition of UNDP product lines in capacity development; addressing crisis and post-conflict countries; engaging with the private sector to achieve the MDGs; and strengthening the roles and capacities of the resident coordinator system. The success of capacity development, they added, was closely linked to the agenda of simplification and harmonization.

13. Many delegations felt that the Administrator correctly identified the MDGs as a critical focus area for UNDP, and repeated calls for ramping up efforts to achieve the 2015 target. They called for continued work on private-sector partnerships, arguing that UNDP had a unique role to play as networker, liaison and coordinator in development activities.

14. Delegations also emphasized the link between financing for development and achieving the MDGs and other internationally agreed development goals. They stressed the importance of including an agenda item on implementing the Monterrey Consensus at future Executive Board sessions. They stated that UNDP should contribute to the assessment of progress at the High-Level Dialogue on Financing for Development in the General Assembly.

15. Delegations highlighted challenges facing UNDP and asked the organization to be vigilant in monitoring them. In the context of its efforts to regionalize, for example, UNDP should avoid developing different approaches in different regions. And considering the shift by some countries from relief to development assistance, UNDP should develop more transition-related programmes. Some delegations expressed a need for UNDP to continue resource mobilization efforts for countries in crisis and continued needs assessments and conferences.

16. They took note of the continued efforts of UNDP to streamline and harmonize the resident coordinator system, and many credited their UNDP representatives with excellence in communication, creative thinking and effective interaction within their countries.

17. In response, the Administrator reassured the Executive Board that regionalization efforts by UNDP were not jeopardizing centralized management. He stressed that efforts of the United Nations Development Group were a continuing and critical issue for UNDP and the entire United Nations system. He recognized the need to promote the positive work of UNDP in wider circles based on its product lines, and noted that the days of a 'piecemeal approach' to development were over.

UNDP segment

II. Evaluation

18. Delegations thanked the Director, Evaluation Office, for introducing the item and the Associate Administrator for his presentation on the management response to the assessment of the Millennium Development Goal (MDG) reports (DP/2004/3).

19. They welcomed the report as a catalyst for bringing about improvements and tracking progress on the MDGs. They felt that a pragmatic approach should be taken as countries have varying resources and varying reporting capacities in preparing the reports. Some delegations expressed a need to avoid duplication and wanted a stronger MDG-poverty reduction strategy papers (PRSP) link. There was a request for UNDP to report at the annual session in June on ways of improving statistics, and provide proposals for developing a stronger management response in the future. One delegation queried why the report contained little information on gender, and suggested that a common format be established for reporting on MDG goal 8 on creating a global partnership for development. Another delegation asserted that caution was necessary when discussing goal 8 as countries viewed its objectives and purpose differently.

20. The Director, Evaluation Office, the Associate Administrator and the Poverty Group Leader, Bureau for Development Policy, reassured delegations that the organization was working hard to align the PRSPs with the MDGs, and that an MDG monitoring committee had been created that was regularly updating the Secretary-General on progress. They affirmed that the organization was giving top priority to raising awareness about the MDGs throughout the United Nations system – especially for resident coordinators to ensure the operationalization of the MDGs at the country level.

21. The Executive Board adopted decision 2004/9 on the management response to the assessment of the MDG reports.

III. Multi-year funding framework

22. Delegations thanked the Associate Administrator for a highly detailed presentation to the Executive Board on the proposals for reporting on the multi-year funding framework (MYFF) (DP/2004/4). A number of delegations reiterated the importance of the MYFF as an integrated performance framework, and supported the intention of the Board to use it for strategic planning and oversight of the organization. Many agreed that the MYFF provided strategic direction for UNDP and acted as a roadmap for the organization. The reporting proposals, it was felt, should be viewed within that overall context.

23. Several delegations strongly endorsed the proposals for reporting, commenting on the 'cutting-edge', sophisticated methodologies used in the proposals in order to focus on the key elements necessary for effective Executive Board oversight of the MYFF. A number of delegations urged the associated funds of UNDP, in particular the United Nations Development Fund for Women and the United Nations Capital

Development Fund, to consider the methodologies followed by UNDP, and to try to harmonize approaches as far as possible. Some sought information on the links between the MYFF and the United Nations Development Assistance Framework, while others felt that further clarification on the difference between outcomes and outputs would be useful.

24. Several delegations recognized that the MYFF reporting proposals should be viewed as a 'work in progress', within the context of the overall approach articulated in the proposals. It was up to UNDP to develop detailed benchmarks and indicators to operationalize the approach, keeping in mind the need to have a framework that was flexible enough to accommodate an ever-changing development environment. Among the specific comments was a request that the provision of adequate substantive information not be sacrificed as a result of efforts to keep reporting brief and succinct. Delegations noted the conceptually elaborate and technical nature of the reporting methodology, cautioning however that it should not result in additional reporting burdens on country offices and national counterparts. The Associate Administrator, in his response, reiterated that simplification and ease of implementation would be of paramount importance in that respect. A number of delegations expressed an interest in taking part in consultations, on an informal basis, as the process moved forward.

25. Delegations appreciated the distinction drawn in the MYFF between organizational effectiveness and development effectiveness. In that context, they asked UNDP to continue efforts to measure the longer-term impact of UNDP programming activities at the country level.

26. Some delegations asked for clarification on the elimination of the separate report to the Executive Board on thematic trust funds, as they felt that it was important. UNDP was asked to ensure that the Board receive adequate information – both quantitative and substantive – on thematic trust funds.

27. Some delegations requested that the Executive Board be provided with an outline, or "mock-up", of the next results-oriented annual report (ROAR) at its annual session in June 2004. They also hoped to see in the next ROAR 2005 more information on how UNDP was working to strengthen the resident coordinator system. There was also a request for a management response in the ROAR itself to the issues raised by UNDP in the document.

28. Several delegations voiced broad appreciation of the participatory and consultative approach that had been followed by UNDP in developing those proposals, in particular in reflecting the concerns of Executive Board members. It was hoped and requested that a similar process be continued in the future.

29. The Associate Administrator took note of the positive comments on the MYFF, acknowledging the need to harmonize various MYFF documents and link the MYFF with the Millennium Development Goals.

30. The Executive Board adopted decision 2004/1 on the proposals for reporting on the multi-year funding framework.

IV. United Nations Development Fund for Women

31. Delegations commended the Executive Director for her coherent, informative statement in which she introduced the UNIFEM multi-year funding framework (MYFF) (DP/2004/5) and the report on progress, gaps and lessons learned in implementing the Strategy and Business Plan, 2000-2003 (DP/2004/CRP.3).

32. They expressed support for the strong work of UNIFEM and noted the link between its ongoing efforts, the Beijing Platform for Action, Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW), Security Council resolution 1325 and the Millennium Development Goals (MDGs). In emphasizing country ownership, it was suggested that gender-related programming should only be provided upon government request.

33. Delegations reaffirmed the central role of gender in development activities, underlining that pursuing sustainable development without addressing its gender dimension would ultimately lead to failure. One delegation emphasized the irreplaceable advocacy role of the Fund, adding, however, that advocacy was not a substitute for gender mainstreaming by other agencies throughout the United Nations system. One delegation requested further information on how UNIFEM intended to enhance its role as catalyst in the future. The same delegation also asked whether the Fund's services were regularly solicited by other United Nations organizations or if it needed to promote them.

34. Numerous delegations expressed full support for the focus areas of UNIFEM as outlined in the MYFF and many of those countries, both donor and programme countries, called on Member States to continue to support UNIFEM by giving it the resources it required to carry out its work. One delegation asked for a better balance of regular (core) and other (non-core) resources, while at least one felt that the focus areas were slightly broad and requested that the organization sharpen them.

35. Many delegations underlined, however, that resources alone would not achieve the desired results. All United Nations organizations, they stressed, would have to coordinate their efforts to ensure the implementation of gender-related programming, with each agency individually accountable.

36. Delegations underlined the need for UNIFEM to provide technical assistance and build national capacity in gender-related issues, especially at the legislative level. One delegation stated that gender focal points throughout the United Nations system also required greater knowledge and capacity training to provide appropriate advice.

37. A number of delegations called on UNIFEM to expand the extent to which it partnered with international and local non-governmental organizations (NGOs), the private sector, the international financial institutions, and other United Nations organizations to expand the reach of its activities and its funding base. A couple of delegations suggested that UNIFEM was the agency of 'now and the future' and that it should continue to work to impact women's human rights positively as well as strengthen global gender equality and gender mainstreaming.

38. Delegations felt that in future sessions the Executive Board should focus more attentively on gender-related issues. They urged UNIFEM to enhance the visibility of its reports, as done with *Women, War and Peace*, and requested further

clarification on how the Fund disseminated its knowledge throughout the United Nations system. One delegation indicated that improved, regular reporting could help to ensure stable contributions from donor countries.

39. One delegation pointed out that UNIFEM draws its mandate from the Executive Board, the Economic and Social Council and the General Assembly. Seeking Security Council involvement in UNIFEM activities, it asserted, would be therefore inappropriate. The delegation nevertheless felt that the role of the Fund within the United Nations system should be strengthened.

40. One delegation requested further clarification on how UNIFEM monitored its programming activities at the field level to ensure their implementation and positive outcomes.

41. Delegations also emphasized the importance of including gender on the agenda of peace negotiations and in post-conflict peacebuilding, noting the exemplary role played by UNIFEM in Afghanistan and via the Trust Fund for Human Security.

42. In response, the Executive Director thanked the Board for its support and guidance, and confirmed that UNIFEM would continue to focus on strategic and effective partnerships in its areas of comparative advantage. She also stressed its role as catalyst and innovator, which would help to continue strengthening the grounds for women's empowerment. She also acknowledged that partnerships, including those with the private sector, must grow and with it, an expansion of the resource base.

43. The Executive Director also touched on the role of men, and their increasing leadership involvement in moving the organization's work forward. She spoke of women and war, and UNIFEM efforts to bring women's knowledge to the forefront, especially when drafting peace plans. The Executive Director concluded by adding that UNIFEM was working to bring about a transformational agenda.

44. The Executive Board adopted decision 2004/10 on the UNIFEM multi-year funding framework, 2004-2007.

V. Country programmes and related matters

45. In introducing the item on country programmes, the President reiterated that in accordance with decision 2001/11 country programme would be approved at each first regular session in January on a no-objection basis without presentation or discussion, unless at least five Board members had informed the secretariat in writing before the meeting of their wish to bring a particular country programme before the Executive Board.

46. The Executive Board approved, on a no-objection basis, the country programmes for Benin, the Central African Republic, Croatia, Djibouti, Ecuador, Kenya, Lithuania, Niger, Pakistan, Poland, the Republic of the Congo, Russian Federation, Sierra Leone and Thailand.

47. In line with established practice, the Board took note of the one-year extensions of the second country cooperation frameworks (CCF) for the Democratic People's Republic of Korea and the Republic of Korea and of the first extension of the first subregional cooperation framework for the countries of the Organisation of Eastern

Caribbean States and Barbados, approved by the Administrator. The Board also approved a two-year extension of the second CCF for Guyana and a one-year extension of the second cooperation framework for technical cooperation among developing countries.

Democratic People's Republic of Korea

48. With regard to the extension of a CCF for the Democratic People's Republic of Korea, three delegations requested that UNDP ensure that its monitoring arrangements were adequate so that resources could not be utilized for other purposes not envisaged under the projects. One delegation regretted the lack of human rights monitoring in the programme. Delegations also requested that the Executive Board be kept informed on arrangements for monitoring of UNDP assistance in the Democratic People's Republic of Korea.

49. The Assistant Administrator and Director, Regional Bureau for Asia and the Pacific, responded to delegations comments and queries on the request for the extension of the CCF for the Democratic People's Republic of Korea. He stated that the UNDP monitoring system was already in place and that measures were being taken to strengthen the system. One major measure being taken was that for the programme extension period all project proposals would be vetted and approved at headquarters in New York. He further assured delegations that UNDP programme financing was strictly being used for humanitarian and development interventions within the scope of the approved CCF for the Democratic People's Republic of Korea. He reassured delegations that UNDP took the monitoring of CCF activities in the country very seriously.

Assessment mission to Myanmar

50. The Executive Board took note of the statement by the Assistant Administrator and Director, Bureau for Asia and the Pacific, and the Resident Representative, introducing the note by the Administrator on assistance to Myanmar (DP/2004/8). The note highlighted the major strategic challenges and recommendations of the 2003 independent assessment mission of the Human Development Initiative (HDI) in Myanmar.

51. One of the major challenges was the limited scope of UNDP activities in Myanmar. While HDI projects continued to have an impact on the well-being of the most vulnerable and suffering in the country at the present time, with its limited resources, UNDP was only able to reach approximately 3 per cent of the population. The Resident Representative called for geographical expansion of HDI activities together with an enabling policy environment and assistance from the international community to address the larger poverty needs in the country.

52. Delegations were pleased that UNDP activities in Myanmar continued to be implemented in full compliance with the respective Governing Council and Executive Board mandates. They expressed appreciation for UNDP HDI activities and acknowledged the need for greater international cooperation and the expansion of humanitarian assistance in parallel with additional resources. In that regard,

delegations reiterated their support and interest in the proposed United Nations strategic framework for expanded humanitarian assistance that was in the process of being finalized.

53. While noting the parameters within which UNDP assistance was being carried out, delegations also acknowledged the value of the assessment mission's recommendation that UNDP was well positioned to promote a supportive policy environment for pro-poor development. In that respect, it was noted that such an environment would provide a sound basis for sustainability of current HDI activities, including micro-finance and the ongoing comprehensive poverty surveys and assessments under HDI phase IV.

54. Two delegations, observing that paragraph 4 of the draft decision should include 'and implement' after 'take account of', suggested that the text be modified accordingly to accurately reflect discussions among delegations. Another delegation, however, objected to any modifications on the grounds that delegations had already agreed on the final text that was submitted to the plenary. The Executive Board finally adopted the decision, taking into account the comments of the three delegations.

55. One delegation expressed caution with regard to the development of a legal and regulatory framework to support poverty, and felt that it would be better if that were done in harmony with progress on the roadmap of the Government. Delegations were also appreciative of efforts by the Resident Representative to strengthen dialogue with the international community. They commended the expanded theme group mechanism that had been established to address HIV/AIDS in the country, and encouraged UNDP to explore similar models for broader assistance in other areas.

56. Finally, as indicated in the Assistant Administrator statement, delegations took note that owing to the unavoidable late start of HDI phase IV projects, operational activities would conclude in December 2005, not in 2004 as had been originally envisaged under Executive Board decision 2001/15.

57. The Executive Board adopted decision 2004/2 on assistance to Myanmar.

VI. United Nations Office for Project Services

58. Delegations thanked the Executive Director, United Nations Office for Project Services (UNOPS), for his presentation of the reports on the implementation of the 2003 budget (DP/2004/6) and on the implementation of the change management process (DP/2004/7). They reiterated their support for UNOPS in its ongoing efforts at change management and appreciated the new spirit of enterprise in the organization.

59. Delegations welcomed the positive financial performance of UNOPS in 2003, and noted with appreciation that the organization was carrying forward an operating balance of $16.6 million into 2004. They also welcomed the process of reorganization and decentralizing of UNOPS operations, the expected benefits of the Enterprise Resource Planning (ERP) system – Atlas – and the future creation of a Director of Support Services post at the D2 level, as endorsed by the Management Coordination Committee.

60. Many delegations expressed cautious optimism about the future of UNOPS but wanted continued dialogue on the expansion of the business mandate. Many delegations voiced support for a direct UNOPS relationship with regional banks, although one wondered about the positives and negatives. One delegation expressed reservations regarding UNOPS working directly with governments.

61. For the annual session of the Executive Board in June, several delegations requested updated financial data and budget estimates. One delegation called on UNOPS to define its expanded mandate and mission, explain the modalities for a new fee-setting mechanism, outline fee proposals that ensure exact cost recovery for project execution, describe the new organizational structure and provide further information on the role of the proposed new Director of Support Services.

62. In response, the Executive Director addressed some queries raised during deliberations. In particular, he stressed the need for an intensive review of portfolios, accelerated business acquisition, the creation of a new management team, and the significant amount of resources required for the change process, in particular for staff relocation and profiling. He noted that besides UNOPS regular services provision, crisis situations also provided UNOPS with the opportunity to offer services and thus were opportunities for generating income. With regard to staff issues, he reassured the Board that the organization was making every effort to be transparent, helping staff through the transition period and treating them with respect.

63. He closed by assuring the Board that requests for more information at the annual session would be fully complied with. He concluded with clear expectations for UNOPS performance in 2004 and outlining the reports he would present to the Board at the annual session in June, including details on the new organizational structure and location of functional units. He also welcomed the suggestion of one delegation regarding the idea of a separate UNOPS segment at future Board sessions.

64. The Executive Board adopted decision 2004/3 on the United Nations Office for Project Services.

Joint UNDP/UNFPA segment

VII. Recommendations of the Board of Auditors

United Nations Office for Project Services

65. Delegations thanked the Executive Director, United Nations Office for Project Services (UNOPS), for updating the Board on existing activities based on recommendations by the Board of Auditors, including a strategic advisory team for business acquisition to develop a medium-term strategy for UNOPS business, a strategic advisory team to address issues of cost recovery and improving methodology for a more transparent system for the calculation of the cost of UNOPS services. They also noted the implementation of Atlas (Peoplesoft) and

opportunities for improving control and efficiency in resource management, better tracking tools for projects and improved reporting capacity.

66. The Executive Board took note of the follow-up to the report on the implementation of the recommendations of the Board of Auditors, 2001-1002 (DP/2004/10).

United Nations Development Programme

67. Delegations thanked the Associate Administrator for introducing the UNDP report on the implementation of the recommendations of the Board of Auditors (DP/2004/11). One delegation, on behalf of several delegations, stressed the importance of taking timely and adequate action to implement the recommendations of the Board of Auditors. The delegation sought clarification on a number of outstanding recommendations: the status of service-level agreements between UNDP and UNOPS as well as between UNDP and UNFPA for the central support services UNDP provides to those organizations; the issuance of a fraud prevention strategy; and an update on the costing study for the end-of-service medical regime. One delegation considered that the reports should focus on the most significant among the recommendations.

68. In response, the Assistant Administrator and Director, Bureau of Management, reassured delegations that UNDP gave top priority to implementing the recommendations of the Board of Auditors. The organization adopted the Enterprise Resource Planning system, he explained, in part to enable it to have better and more timely information to meet the requirements of the Board of Auditors. He affirmed that setbacks in implementing the recommendations were mainly a question of the timing of reporting on national execution, and not a lack of control on the part of UNDP. He confirmed that service level agreement had indeed been signed among the organizations and that the remaining outstanding items were complex, inter-agency initiatives that were requiring greater effort than originally anticipated.

69. The Executive Board adopted decision 2004/4 on the implementation of the recommendations of the Board of Auditors.

United Nations Population Fund

70. The Deputy Executive Director (Management), UNFPA, introduced the report entitled Follow-up to the report of the United Nations Board of Auditors for 2000-2001: Status of implementation of recommendations (DP/FPA/2004/1).

71. Delegations stressed the importance of expeditious follow-up to the recommendations of the Board of Auditors and underscored that funds provided by donors should be fully accounted for and utilized for the specific intended purpose. Delegations asked if the UNFPA service-level agreements with UNDP had been concluded and inquired about the status of the fraud prevention plan.

72. The Deputy Executive Director (Management) emphasized that UNFPA took the recommendations of the Board of Auditors very seriously, including follow-up with country offices. She stated that a focus on accountability had been a key component

of the Fund's transition exercise and the organization's annual priorities. She noted that all pending service-level agreements with UNDP had been signed. The Director, Division for Oversight Services, UNFPA, stated that the three-agency effort to develop a fraud prevention strategy was a complex exercise and was expected to be completed by the end of the first quarter of 2004. She also informed the Executive Board that action on the majority of the recommendations of the Board of Auditors for the 2000-2001 biennium had been completed or would be completed imminently.

73. The Executive Board adopted decision 2004/4 on UNDP and UNFPA: Recommendations of the United Nations Board of Auditors.

VIII. Report to the Economic and Social Council

United Nations Development Programme

74. Delegations thanked the Associate Administrator for his presentation on the UNDP report to the Economic and Social Council (E/2004/4-DP/2004/12). They commended UNDP for a clear, concise report, while stressing the need for more rigorous analysis. One delegation questioned why the report did not contain a section on UNDP cooperation with the international financial institutions.

75. In stressing the importance of ensuring a strong resource base, both core and non-core, delegations expressed concern that other (non-core) funds were growing faster than regular (core) funds, and sought assurances that the situation was not problematic. Delegations asked for clarification regarding an increase in local currency variations, querying whether it was the result of inflation or other factors. They also asked whether the 38 per cent of core resources allotted to poverty reduction would hold for the future.

76. One delegation wondered why UNDP follow-up to international conferences seemed limited to the Millennium Development Goals, and questioned if the MDGs indeed covered the full range of issues raised in such conferences of importance to UNDP. Another delegation underlined the importance of the MDGs for the least developed countries, adding that an increase in official development assistance was essential for family planning and reproductive health programmes in particular.

77. Several delegations requested that, where possible, UNDP continue to push for alignment with the poverty reduction strategy papers (PRSPs) and continue strengthening the resident coordinator function among United Nations organizations. One delegation underlined the importance of simplification and harmonization in the upcoming triennial comprehensive policy review (TCPR) of operational activities for development for 2004. They urged United Nations organizations to exert a financial push behind the TCPR review to ensure further reforms.

78. One delegation sought further clarification on which UNDP bureau was responsible for evaluating results-based management, how often evaluations were performed, if they were done in all programme countries, and whether or not there were repercussions for resources.

79. In response, the Associate Administrator provided an overview of the resource situation. With regard to programme expenditure, he explained that although core resources had fallen short of the MYFF target for 2003, funding had not in fact diminished. He also pointed out that two UNDP bureaux were responsible for evaluating results-based management: the Bureau of Management for financial operations and the Operations Support Group for programming. With regard to the simplification and harmonization agenda, he stated that the organization was strongly committed to making significant progress in that area. He also assured delegations that the UNDP relationship with the Bretton Woods institutions was strong and growing.

80. The Executive Board adopted decision 2004/6 on the UNDP report to the Economic and Social Council.

United Nations Population Fund

81. The Deputy Executive Director (Programme) introduced the UNFPA report to the Economic and Social Council (E/2004/5 – DP/FPA/2004/2).

82. Delegations underscored that UNFPA needed increased core resources to assist developing countries in meeting the Millennium Development Goals. In particular, additional funding was required for reproductive health programmes. Efforts to simplify and harmonize programme and operational procedures, including the issuance of a revised guidance note on joint programming, were welcomed. Delegations commended UNFPA for its work in gender mainstreaming, including male involvement, as well as for using a culturally sensitive approach to programming. One delegation suggested further strengthening of results-based management. Delegations encouraged the funds and programmes to provide inputs to the TCPR process. Some delegations noted that the joint meeting of the Executive Boards should have decision-making authority and the issue should be looked at in the context of the TCPR.

83. The Deputy Executive Director (Programme) thanked the delegations for their comments and noted that the tenth anniversary of the International Conference on Population and Development provided an opportunity to mobilize resources, including from the private sector. He stated that UNFPA counted on the support of the Executive Board in advancing the United Nations reform agenda. He concurred on the importance of the funds and programmes providing inputs to the TCPR process.

84. The Executive Board adopted decision 2004/6 on Reports to the Economic and Social Council.

IX. Follow-up to UNAIDS Programme Coordinating Board meeting

United Nations Development Programme

85. Delegations expressed their appreciation to the Group Leader, UNDP HIV/AIDS Group, and the Deputy Executive Director, Joint United Nations Programme on HIV/AIDS (UNAIDS), for their in-depth presentations on the UNDP follow-up to the UNAIDS Programme Coordinating Board meeting (DP/2004/13), and asked that the issue not be treated in a 'business as usual' manner at Executive Board sessions.

86. Several delegations appreciated the value of UNAIDS as an innovative programme but wanted a clearer sense of the future of the programme. One delegation asked for a more forward-looking appraisal on UNAIDS activities based on the recommendations of the Programme Coordinating Board.

87. Underlining complications in organizing activities between co-sponsors, several delegations emphasized the importance of coordinating UNAIDS activities at the country level to ensure their maximum impact. In that regard, they suggested stricter application of rules of procedure on harmonization and simplification. One delegation suggested that UNDP should employ a multi-sectoral human rights based approach in its efforts to combat the epidemic. And while stressing the essential guidance of UNAIDS country coordinators, they pointed to political leadership as the best line of defense in fighting the epidemic.

88. Delegations also expressed a need for UNAIDS to intensify its work in fighting the stigma and discrimination of HIV/AIDS, and requested more information on such efforts at the annual session of the Executive Board in June.

89. In response, the Group Leader, UNDP HIV/AIDS Group, thanked delegations for their comments and the Executive Board for its guidance. She proceeded to highlight five areas that best defined UNDP work on HIV/AIDS: (a) a unique approach; (b) partnerships at the field level; (c) scaling up of development planning; (d) mainstreaming of HIV/AIDS issues; and (e) links between UNAIDS and the Global Fund to Fight AIDS, Tuberculosis and Malaria.

90. She explained the unique approach of UNAIDS at the field level where it designed and set up specific frameworks based on project needs, taking into account the vast, complex legal and social networks in a country when developing programmes. With regard to partnering with local civil society, the Group Leader stated that UNAIDS groups in country offices helped to define the lead role of co-sponsors so that each would be challenged to respond in different areas of coordination. She elaborated that UNAIDS was scaling up its development planning and capacity building – five developing countries, for example, were working on identifying and enhancing leadership skills with the International Labour Organization, the United Nations Centre for Human Settlements (HABITAT) and local trade unions.

91. UNAIDS was also active in mainstreaming HIV/AIDS awareness in other UNDP practice areas and assisting government ministries in disseminating knowledge on the epidemic to local communities. She also highlighted UNAIDS efforts to liaise with the Global Fund to Fight AIDS, Tuberculosis and Malaria at the country level in fulfilling government expectations and following the guidelines

outlined by the United Nations General Assembly Special Session on HIV/AIDS. She concluded by informing delegations that UNAIDS would provide more detailed information at the annual session of the Board in June.

92. The Executive Board adopted decision 2004/5 on UNDP follow-up to the UNAIDS Programme Coordinating Board meeting.

United Nations Population Fund

93. The Chief of the HIV/AIDS Branch, UNFPA, introduced the report entitled UNFPA Response: Implementing the UNAIDS Programme Coordinating Board recommendations of June 2003 (DP/FPA/2004/5).

94. Delegations welcomed the opportunity to consider on a regular basis the UNFPA response to recommendations of the UNAIDS Programme Coordinating Board (PCB) and noted that it would contribute to a more harmonized and coherent United Nations system response to the HIV/AIDS epidemic. Emphasizing that coordination was vital in addressing the epidemic, delegations urged strengthening of country-level coordination among UNAIDS co-sponsors. Noting that future reports should be more analytical, delegations asked that they include an examination of how UNAIDS co-sponsors complement and support each other and how UNAIDS contributes to their HIV/AIDS work, including with regard to programme design. Delegations were interested in knowing what UNFPA could do to scale up national HIV-prevention strategies – including ensuring condom security – within poverty reduction strategies. Given the feminization of the epidemic, delegations stressed promoting women's reproductive health and rights and ensuring access to reproductive health services. Some delegations noted that it was not clear if the activities reported were those that were already under way or if they were the result of a structured response to PCB decisions. Additional information was requested on follow-up to PCB recommendations and it was suggested that relevant PCB decisions be annexed to future reports.

95. The Chief, HIV/AIDS Branch, UNFPA, appreciated the constructive comments and assured the Executive Board that UNFPA would provide additional information at the annual session. She noted that several mechanisms contributed to complementarity, including the UNAIDS unified budget and work plan; the inter-agency task teams; the convening agency modality within which co-sponsors worked together to map out actions, track activities and better coordinate the United Nations response; and the resident coordinator system. UNFPA held the convening role in two areas, young people and condom programming, and co-chaired the gender task team with UNIFEM. Although the Fund did not have the resources to scale up, it had documented processes and identified critical elements that countries could utilize for effective scaling up using other funding sources. Emphasizing that it was not business as usual, she underscored that UNFPA was now focusing attention on meeting the reproductive health needs of HIV-positive women. She noted that within the last six months UNFPA had identified HIV/AIDS focal points in all its country offices. Also, the virtual inter-divisional working group was holding discussions on HIV/AIDS via the Internet.

96. The Executive Board adopted decision 2004/5 on follow-up to the fourteenth meeting of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS.

UNFPA segment

X. Country programmes and related matters

97. The Executive Board approved the country programme documents for Benin, the Republic of the Congo, Kenya, Lesotho, Niger, Sierra Leone, Afghanistan, Pakistan, Cuba and Ecuador.

98. The Deputy Executive Director (Programme) introduced the UNFPA intercountry programme, 2004-2007 (DP/FPA/2004/3) and the review of the UNFPA intercountry programme, 2000-2003 (DP/FPA/2004/3/Add.1).

99. Delegations expressed support for the intercountry programme, 2004-2007, noting that it would produce replicable experiences that would enable UNFPA to build partnerships and support national strategies to implement the Programme of Action of the International Conference on Population and Development (ICPD). Several delegations emphasized the importance of South-South cooperation and encouraged UNFPA to continue support for this area. One delegation hoped that the Fund's activities with non-governmental organizations (NGOs) in its country would be strengthened. It encouraged the Fund to address urbanization issues, including service delivery to slum-dwellers. Delegations stressed that the intercountry programme activities should be tailored to meet country-level needs. They welcomed the focus on national capacity-building and strengthening of country offices. Future reporting on the linkages between the intercountry programme and country programmes was encouraged. Delegations were pleased to note that a detailed monitoring and evaluation plan would be developed.

100. The Deputy Executive Director (Programme) thanked the delegations for their support, including for the announcements of increased funding and multi-year pledges. He underscored that the intercountry programme was designed to support country programme needs. He noted that training would be provided to country office staff and partners to better position UNFPA in line with the MYFF and the Fund's comparative advantage and strategic direction. He noted that providing services to disadvantaged and poor people was a major challenge in poverty reduction efforts. He concurred regarding continued support for South-South cooperation and partnerships with NGOs.

101. The Director, Technical Support Division, appreciated the supportive comments and assured the Executive Board that a strong emphasis on results-based management and monitoring and evaluation would guide the implementation of the intercountry programme. She underscored that UNFPA would ensure linkages and coherence between the interregional, regional and country programmes. She confirmed that South-South cooperation would be a strong element of the intercountry programme and noted that urbanization issues would be addressed.

102. The Executive Board adopted decision 2004/8 on the UNFPA intercountry programme, 2004-2007.

103. Following Executive Board adoption of the decision on the intercountry programme, the delegation of the United States of America noted its concerns about certain aspects of the ICPD Programme of Action and ICPD+5. While joining the consensus on the decision, the delegation stated that its concerns remained relevant to the decision.

XI. Multi-year funding framework

Overview statement by the Executive Director

104. In her overview statement, the Executive Director, noted that the year 2004 had special significance for UNFPA. It was the midpoint in the implementation of the 20-year Programme of Action of the International Conference on Population and Development (ICPD). It was also the year in which the Fund would expand its work of putting theory into practice to see if the transition process yielded the expected results. She underscored three keys for success in building a more effective UNFPA, namely, implementing the Fund's new strategic direction; strengthening operational effectiveness; and having the right staff in the right place at the right time.

105. The Executive Director highlighted the Fund's involvement in poverty reduction strategy paper (PRSP) processes and sector-wide approaches (SWAps), and noted the ways in which UNFPA was helping its country offices to strengthen the content of PRSPs. She stressed the importance of advancing the ICPD agenda and clearly linking it with the achievement of the Millennium Development Goals (MDGs). She said UNFPA was an active partner in the Secretary-General's reform process and would continue to make the ICPD Programme of Action visible in the evolving United Nations development agenda. She highlighted some of the activities associated with the tenth anniversary of the ICPD, including most notably the field inquiry conducted by UNFPA, and thanked Sweden and Switzerland for their generous support for the field inquiry and other activities related to the tenth anniversary of ICPD. The Executive Director was encouraged by the increase in the number of countries that had pledged support to UNFPA in 2003: an all-time high of 147 contributing countries.

Multi-year funding framework

106. The Executive Director introduced the report on the multi-year funding framework, 2004-2007 (DP/FPA/2004/4).

107. Numerous delegations took the floor to congratulate the Executive Director on her comprehensive and visionary overview statement and to express praise and strong support for the 2004-2007 multi-year funding framework (MYFF). Delegations appreciated the clear linkages with the MDGs, PRSPs and SWAps. They welcomed the increased emphasis on policy development and underscored the importance of mainstreaming population into development policy and planning.

They supported the three results areas of the MYFF: reproductive health; population and development; and gender equality and women's empowerment. Delegations appreciated that HIV/AIDS prevention, adolescent reproductive health and gender had been mainstreamed in the three results areas. They welcomed the focus on national capacity development and a rights-based approach to programming, including the focus on culture.

108. Citing the Fund's contribution to poverty reduction identified in the MYFF, delegations emphasized the importance of addressing the needs of poor and vulnerable groups. Some delegations urged UNFPA to play an increased role in humanitarian responses, including promoting integration of reproductive health in emergency and relief operations. Delegations underscored the importance of forging effective partnerships and encouraged UNFPA to further work out the details of its partnerships. They urged the active involvement of young people in planning and implementing interventions that concerned them. Highlighting the importance of South-South cooperation, some delegations offered to make their experiences available to the Fund. Delegations drew attention to reproductive health commodity security and the issues of commodity pricing and availability. One delegation noted the lack of reference to least developed countries (LDCs) and urged higher visibility for activities undertaken in those countries.

109. While noting that it was pleased that access to reproductive health, including family planning, was a key element of the Fund's mission, one delegation expressed concern about the use of the term "reproductive health services" because some people had interpreted that the term included abortion as a family planning method. The delegation sought assurances that the term as used in the MYFF did not include support for abortion as a method of family planning. Citing the "A, B, C" approach to HIV/AIDS prevention, the delegation emphasized the priority of abstinence.

110. Delegations praised the clarity and simplified structure of the MYFF document and welcomed the participatory approach used in developing the MYFF. They commended the focus on gender equality and women's empowerment. One delegation stressed the need to avoid conditionality. Delegations urged UNFPA to continue focusing on results-based management; strengthening national capacities for data collection and analysis; and developing benchmarks. They appreciated the alignment of the MYFF with the biennial support budget. Delegations emphasized that the MYFF should be an essential part of a resource mobilization strategy and urged donors to increase their contributions to the Fund, particularly with respect to core resources.

111. Several delegations expressed concern that assistance to population and reproductive health programmes was below the ICPD targets. They underscored that ICPD goals and the MDGs could not be achieved without adequate resources. It was emphasized that the lack of resources denied poor women access to reproductive health services, thus contributing to high levels of maternal mortality; constrained the fight against HIV/AIDS; and was reversing development gains.

112. The Executive Director thanked the delegations for their strong support and for recognizing the contribution of UNFPA to poverty reduction and capacity-building, including through linking reproductive health to poverty reduction strategies and national programme priorities. She underscored the centrality of population and reproductive health issues to achieving the MDGs. She thanked the donors for their contributions, including those that had announced increments and multi-year

pledges. She appreciated donor support for the Fund's work in promoting a rights-based and culturally sensitive approach to programming. She assured delegations that the MYFF would not introduce conditionalities. She highlighted the Fund's partnerships with WHO, the World Bank and UNAIDS, among others. She updated the Executive Board on the regional reviews under way on the occasion of the tenth anniversary of ICPD. Regarding LDCs, she stated that priority to LDCs was mainstreamed in the work of UNFPA and in its resource allocation system. She noted that 67 per cent of the Fund's resources went to "category A" countries, which included all the LDCs. She appreciated the offer regarding South-South cooperation. She underscored the centrality of reproductive health commodity security to UNFPA-supported programming.

113. Concerning the comment on the term "reproductive health services", the Executive Director stated that the Fund's mandate and reproductive health terminology were derived from the ICPD Programme of Action. She cited paragraph 8.25 of the Programme of Action which, inter alia, states that "in no case should abortion be promoted as a method of family planning". Regarding the "A, B, C" approach to HIV/AIDS prevention, she confirmed that in keeping with the international consensus UNFPA promoted all three components.

114. The Chief of the Strategic Planning Office appreciated the comments made by delegations and thanked them for the guidance they had provided throughout the MYFF development process. She agreed that there was a need to improve data at all levels, as well as to strengthen monitoring and evaluation and to have adequate baselines for qualitative and quantitative indicators to measure progress in attaining results. She assured the Executive Board that UNFPA would continue to invest in capacity-building and results-based management. She stated that the MYFF was strong on gender issues and noted that the Fund maintained close coordination with UNIFEM. She took note of the request to report in more detail on the Fund's partnership strategy. She underscored that the Fund believed in strong families, including attention to gender equity, healthy adolescent development, and women's and girls' empowerment.

115. The Executive Board adopted decision 2004/7 on the UNFPA multi-year funding framework, 2004-2007.

116. Following the Executive Board's adoption of the decision on the MYFF, the delegation of the United States of America noted its concerns about certain aspects of the ICPD Programme of Action and ICPD+5. While joining the consensus on the decision, the delegation stated that its concerns remained relevant to the decision.

XII. Other matters

Review of the WHO/UNICEF/UNFPA Coordinating Committee on Health

117. The Chief of the Reproductive Health Branch, UNFPA, introduced the report entitled Review of the WHO/UNICEF/UNFPA Coordinating Committee on Health (DP/FPA/2004/CRP.1).

118. The Executive Board endorsed the recommendation contained in the report to discontinue the WHO/UNICEF/UNFPA Coordinating Committee on Health. The

Board recommended that the secretariats of WHO, UNICEF and UNFPA continue to strengthen their coordination in the area of health.

119. The Executive Board adopted decision 2004/11 on the review of the WHO/UNICEF/UNFPA Coordinating Committee on Health.

Joint meeting of the Executive Boards of UNDP/UNFPA and UNICEF, with the participation of WFP (23 and 26 January 2004)

HIV/AIDS regional initiatives

120. Following preliminary comments by the President of the Executive Board, United Nations Children's Fund (UNICEF), the Executive Director of UNFPA summarized global regional initiatives to fight HIV/AIDS. Representatives of the World Food Programme (WFP), UNDP, UNFPA, UNICEF and the Joint United Nations Programme on HIV/AIDS (UNAIDS) then briefed the joint meeting on efforts to fight the epidemic in eastern and southern Africa, emphasizing links among HIV/AIDS, nutrition and governance.

121. Delegations agreed that HIV/AIDS was a growing threat urgently requiring greater attention, action and funds. Coordinated action and results-monitoring were needed among United Nations organizations, with the roles of each clearly defined. One speaker suggested that UNAIDS should be the main coordinator at the country level. Several speakers requested that more information on coordinated United Nations efforts be provided at future joint meetings of the Boards. Delegations also called for stronger linkages among United Nations organizations and other groups.

122. Several delegations voiced concern over the danger of the dispersal of resources owing to the wide diversity of donors and programmes. To harness resources effectively, it was suggested that every country implement "three ones": one national AIDS strategy, one national AIDS commission and one way to monitor and report progress. Greater joint funding was also proposed.

123. The panel acknowledged the danger of resources dispersal, which could be addressed through the "three ones". As for results, the common country assessment (CCA) acted as a joint gauge. The bulk of funds and resources were given to governments, which should be helped to channel them effectively. On all fronts, more accountability was needed.

124. In response to suggestions that each country's HIV/AIDS strategy should be incorporated into development planning and the poverty reduction strategy paper (PRSP) process, the panel said that the PRSP process was a cornerstone of national HIV/AIDS efforts, along with sector-wide approaches (SWAps) and nationally driven coordinating mechanisms.

125. Many delegations emphasized the interconnection among HIV/AIDS, poverty, food insecurity and governance issues. One delegation asked for a report at a future joint Board meeting on coordinated support for food security, specifically cooperation with the Food and Agriculture Organization of the United Nations (FAO). The panel replied that attention to interconnected issues was growing; that multi-partner efforts were promoting agriculture through conservation farming and

other methods; and that FAO played an important role in nutrition, food security, orphan care and other areas.

126. Delegations said that an effective response to HIV/AIDS also involved taking actions to build local capacity; empower girls and women; promote the prevention of mother-to-child transmission of HIV; support public health initiatives and increase access to social services; balance prevention, treatment and care; reduce the price of drugs and increase their availability; build a continuum of humanitarian assistance to development; secure more stable and predictable funding; enlist greater support of the private sector; and intensify scaling-up.

127. In closing the discussion, the President of the UNICEF Executive Board requested that presentations and responses at next year's joint meeting of the Boards should better reflect coordinated action and mechanisms.

Simplification and harmonization

128. The Deputy Executive Director, World Food Programme, summarized progress in simplification and harmonization on behalf of UNDP, UNICEF, UNFPA and WFP. The 2003 Chairs of the Programme and Management Groups briefed on the Joint Programming Guidance Note and its links to the United Nations Development Assistance Framework (UNDAF) results matrix, followed by the Resident Coordinator, a.i., in Niger who described country-level experiences in preparing the results matrix, identifying opportunities for joint programming.

129. The meeting reaffirmed the importance of the simplification and harmonization agenda for stakeholders in development. Fundamentally, it was about doing business more effectively and efficiently. The United Nations work was part of a broader agenda agreed by the international community in Rome in early 2003; it would form part of the forthcoming discussions on the triennial comprehensive policy review of operational activities for development (TCPR). The meeting agreed that the developments reported in June 2003 and on this occasion demonstrated the importance of the subject in relation to cross-cutting issues such as food security and HIV/AIDS, and its complexity – it included such issues as financing modalities, common houses and services, leadership by resident coordinators and whether human resource management provided adequate incentives to collaborate.

130. The meeting was impressed by progress but impatient for further results. It recognized that the questions posed by the work were difficult and in some cases threatening. There was a need to improve contacts with agencies working on humanitarian issues and to consider the implications for the specialized agencies. The meeting wanted to see imaginative thinking about the broad simplification and harmonization agenda in the near future and to be involved in it, for example, through brainstorming sessions.

131. The President of the Executive Board of WFP presented an informal paper, The role of the annual joint meeting", responding to governance questions raised at the 2003 joint meeting. Two questions were posed: (a) whether to make the joint meeting a decision-making body; or (b) to continue with the existing mandate and aim to improve its usefulness. There was broad support for the suggestions in the paper for improving the effectiveness and efficiency of the joint meeting under its

existing mandate. They would be pursued by the Board presidents, who would meet after the session to plan the next joint meeting. Opinions varied regarding the option of investing the joint meeting with decision-making authority. Some delegations regarded it as a logical step in the evolution of governance; others did not think it would add value to the existing machinery. It was noted that the question was already under review: paragraph 28 of Economic and Social Council resolution E/2003/L.20 on TCPR requests "a report on the assessment of the value-added of the joint meetings of the Executive Boards and their impact on the operational activities segment of the Economic and Social Council and...recommendations as appropriate". The joint meeting looked forward to an early issues and options paper for informal discussion with the membership, preferably in March 2004.

The resident coordinator system

The Resident Coordinator Assessment Centre

132. Opening remarks by the President of the Executive Board of UNDP/UNFPA preceded an introduction to the Assessment Centre by the Director of the United Nations Development Group Office (UNDGO). Two resident coordinators who had undergone the new assessment process described their experiences.

133. Delegations questioned the appropriateness of self-selection for the assessment, particularly in comparing the old and new systems. They wanted candidates for resident representative/resident coordinator positions to be drawn from the widest possible field and queried the adequacy of the applicant pool, noting the need for gender balance, coaching and learning plans. They asked about developing country representation and the pre-selection and progress measurement systems. They felt that special representatives of the Secretary-General working alongside resident coordinators should undergo a similar assessment.

134. Speakers asked if the increasing complexity of the resident representative/resident coordinator/security coordinator role was consistent with simplification and harmonization, and whether the assessment process drained time and funds from substantive work.

135. The panel clarified that all future candidates would undergo the assessment, focusing on competencies and substance. The process – described by those who had experienced it as unbiased and geographically and gender-balanced – lasted three days. Nominating agencies covered the cost, ensuring nomination of only the ablest candidates.

136. The Director, UNDGO, described the new procedure for identifying and training candidates at an early stage, adding that the various surveys used in the past facilitated comparison between old and new assessments. She added that the company conducting the assessment employed staff from a wide variety of backgrounds and countries.

Video link with the Lesotho country team

137. The country team in Lesotho, introduced by the resident representative/resident coordinator, explained how the resident coordinator system in Lesotho supported the common country assessment, United Nations Development Assistance Framework and poverty reduction strategy paper processes, and their alignment with the Millennium Development Goals.

138. Speakers agreed that progress made in the resident representative/resident coordinator system was yielding tangible results, though resources destined for Lesotho had dwindled even for HIV/AIDS programmes, making 'scaling up' impossible. Some suggested that work towards a stronger system could be funded by the United Nations as a whole or by individual countries. They emphasized that a resident representative/resident coordinator needed a balance of personal qualities and substantive knowledge. It was stressed that in crisis and post-crisis situations United Nations organizations had to work in coordination, not in competition with each other.

Closing remarks by the UNDP Administrator

139. The Administrator stated that, in future, resident representatives/resident coordinators would contribute to the evaluations of country team members with the support of their respective regional directors. He noted the need for additional resident representative/resident coordinator candidates with humanitarian backgrounds. He acknowledged delegations' funding suggestions, mentioned the trust fund for the resident coordinator system support, and indicated that core resources were increasing. The United Nations country presence should be adequate and relevant rather than large and fragmented – and United Nations organizations must work in close, constant collaboration with donors and governments in order to remain relevant.

Security

140. Following opening remarks by the President of the Executive Board of UNDP/UNFPA, the Executive Director of UNICEF, representing UNDP, UNFPA, WFP and UNICEF, briefed delegations on United Nations staff safety and security. She said that the full text of her statement would be made available on the UNICEF web site.

141. Delegations encouraged intensification of efforts at all levels to ensure staff safety and security, including strengthening local support to United Nations missions, ensuring investigations of attacks, and punitive measures against perpetrators of crimes. The role of host governments in bringing to justice those responsible for attacks/threats was underscored. Delegations inquired if the lack of cooperation from host governments resulted from lack of capacity or lack of commitment. They asked about measures being undertaken to restore confidence in the United Nations. Delegations were interested in knowing how to ensure

cooperation between non-governmental organizations (NGOs) and the United Nations organizations.

142. Delegations inquired if security costs were covered by the regular budget of the United Nations and if recurring security costs impacted development assistance delivery costs. Noting that security costs should not overburden regular resources, speakers asked what funds were allocated by United Nations funds and programmes for security. Delegations asked about the criteria used to classify countries as high or low risk and inquired if security measures were different in those countries. One delegation asked about the recommendation concerning United Nations common premises.

143. Delegations underscored that concrete and visible results at the country level could be a source of local security. Information gathering and reliable threat analysis were underscored. Some delegations noted the formation of a committee by the United Nations to investigate the terrorist bombings in Baghdad, and stressed the importance of doing the same whenever United Nations personnel were subjected to similar treatment.

144. In responding, the Executive Director, UNICEF, concurred that the United Nations needed to regain the humanitarian space within which a degree of security was ensured because United Nations staffs were recognized as neutral and impartial providers of humanitarian support and development assistance. She agreed that cooperation with NGOs was essential. Regarding the budget for security, she noted that in 2002-2003 the budget for the Office of the United Nations Security Coordinator (UNSECOORD) was $53 million, about $12 million of it coming from the regular budget and the remainder from other agencies' budgets. For the 2004-2005 biennium, the budget figure was $86 million, with $15 million being from the regular budget. She stated that there were both one-time and recurring costs associated with security. Concerning common premises, she clarified that there was no change in policy, the recommendation being that they be looked at on a case-by-case basis in terms of security requirements.

145. She noted that UNSECOORD had primary responsibility for determining the security phase in a given country. The representative of UNSECOORD added that at the country level the designated official and his/her team determined the security phase based on a risk/threat analysis. Furthermore, security phases 3, 4 and 5 could only be declared with the approval of the Secretary-General.

Part two
Annual session

Held at United Nations Headquarters in New York from 14 to 23 June 2004

I. Organizational matters

1. The annual session 2004 of the Executive Board of UNDP and UNFPA met from 14 to 23 June in Geneva. At the session, the Executive Board approved the agenda and work plan for its annual session 2004 (DP/2004/L.2), as orally amended, and the report on the first regular session 2004 (DP/2004/14).

2. It agreed in decision 2004/25 to the following schedule of future sessions of the Executive Board in 2004 and 2005:

Second regular session 2004:	20 to 24 September 2004
First regular session 2005:	24 to 28 January 2005
Annual session 2005:	13 to 24 June 2005 (New York)
Second regular session 2005:	19 to 23 September 2005

3. The introductory statement by the President was posted on the web site of the Executive Board secretariat at www.undp.org/execbrd.

4. Decisions adopted at the annual session 2004 were included in document DP/2004/33 accessible at www.undp.org/execbrd.

UNDP segment

II. Annual report of the Administrator

5. In introducing his annual report 2003 (DP/2004/16, Add.1 and 2), the Administrator expressed his confidence that 2005 would prove to be a turning point for development, and proposed a five-track programme to prepare the United Nations response.

6. Would the United Nations be ready for success, he speculated, if – following world leaders' review of the Millennium Declaration at the fifty-ninth session of the General Assembly in 2005 – the global bargain of reform and resources, underpinned by the mutual accountability struck at Monterrey, would hold – allowing the "radical course correction" needed to shift the world back on track to meet the Millennium Development Goals (MDGs) by the 2015 deadline.

7. In urging the United Nations and UNDP to seize the opportunities presented in 2005, the Administrator underlined that the impact of the new UNDP and its success would be judged in large part by its contribution to the broader reform agenda in the United Nations system and the wider development community. Without seriously undertaking the United Nations reform agenda, the successful efforts to mobilize political will and resources around the MDGs might run the risk of failing at the moment of implementation.

8. North and South alike warned, he underlined, that the international community had to pay as much attention to the quality of aid as it did to its quantity.

9. To prepare UNDP to seize the opportunities of 2005, the Administrator identified five reform tracks on which the United Nations development system needed to make progress:

(a) *Programme alignment* – to root all development activities in a country in national strategies for achieving the MDGs;

(b) *Simplification and harmonization* – of United Nations programme procedures and cycles to keep up with best donor and national practice;

(c) *Ideas and institutions* – the United Nations strength – to support countries in capacity building and leading ideas on key issues;

(d) *Rationalizing field presence* – to ensure programme countries obtained the maximum value out of United Nations support;

(e) *Strengthening the resident coordinator system* – and increasing its accountability to drive strategic coherence and outcomes.

10. The forthcoming triennial comprehensive policy review (TCPR) exercise offered an opportunity to make progress in each area.

11. The Administrator highlighted, in particular, plans to strengthen the resident coordinator system by appointing country directors in the largest programme countries, where the task of performing all the functions of resident coordinator, resident representative and designated security official had become too vast for a single person.

12. He also drew particular attention to the burgeoning partnership between the United Nations Industrial Development Organization (UNIDO) and UNDP. The organization would offer UNIDO representatives the opportunity to have desks in UNDP country offices and a dedicated role in the UNDP knowledge management system at the global, subregional and national levels. The UNIDO-UNDP partnership could serve as a model for further collaboration aimed at reducing field costs while increasing programmes. It would also provide countries with additional service lines.

13. On UNDP associated funds and programmes, the Administrator noted that raising the profile of volunteerism through the work of the United Nations Volunteers was also a key factor in achieving the MDGs. He underscored the UNDP commitment to working closely with the United Nations Development Fund for Women through mainstreaming gender in UNDP programming and the co-location of UNIFEM substantive support in subregional resource facilities.

14. The Administrator informed the Executive Board that UNDP was studying ways to integrate the work of the United Nations Capital Development Fund in UNDP programmes, while looking for ways to revitalize the Fund in the light of questions raised about its viability.

15. Delegations expressed strong support for the Administrator's call for the organization to renew and make clear its commitment to United Nations reform, and to seize the opportunities presented in 2005.

16. They endorsed the five reform tracks identified by the Administrator, highlighting in particular the organization's progress in areas such as joint programming, common reporting, local ownership, capacity building and knowledge

management. Delegations backed the Administrator's vision of supporting the United Nations system in its strategic country demand-driven technical assistance activities and looked forward to his proposals for implementation of an improved enabling environment for development.

17. Commending the proposed UNDP-UNIDO partnership, delegations advocated similar cooperation with other United Nations organizations. The Executive Board raised the possibility of inviting the Director General of UNIDO to attend its second regular session in September 2004.

18. Appreciation for donor contributions was coupled with a renewed appeal to step up funding. Several delegations announced significant increases in funding, including pledges covering the multi-year funding framework (MYFF), 2004-2007.

19. The need for institutions at all levels to make a strong commitment to gender equality and North-South balance was underlined, and details on how UNDP would mainstream gender in all aspects of its work requested.

20. While highlighting the key role of the private sector in driving economic growth, delegations recognized its complexity and called for clearer analysis of UNDP successes and failures. Delegations also requested more details on how UNDP intended to strengthen the resident coordinator system. UNDP should ensure that procurement was above reproach.

21. The Administrator responded by expressing his appreciation to delegations for their strong support for his proposed five reform tracks, and thanked those delegations that had pledged increased funding and urged others to follow suit. He stated that there should be no doubt about the seriousness of UNDP efforts in gender. He concluded by reassuring the Executive Board that UNDP did not consider itself a procurement agent and hoped that there had not been a lack of transparency in that area.

22. The Executive Board took note of the annual report of the Administrator 2003 (DP/2004/16 and Add.2) and the report of the Joint Inspection Unit (DP/2004/16/Add.1).

III. United Nations Capital Development Fund

23. In discussing documents DP/2004/17, DP/2004/18 and DP/2004/19 on the United Nations Capital Development Fund (UNCDF), delegations, while noting that the Fund was effective, efficient and highly relevant, emphasized the stark paradox regarding the decline in core funding that threatened its viability.

24. The independent impact assessment (DP/2004/18) found the Fund to be an effective organization that had successfully aligned its programmes and activities with its policies. It concluded that Fund operations had contributed to significant results through both microfinance and local governance programmes in poverty reduction, policy impact, and replication of its projects by donors. UNCDF areas of expertise were found to be very much in demand in least developed countries (LDCs) to respond to the MDGs and country needs.

25. However, the independent evaluation also found that the effectiveness of the UNCDF business model required a stable, sustained level of donor funding that had

not been achievable in the existing environment. An urgent revision of the UNCDF business model was recommended to ensure its viability.

26. A number of delegations suggested that the financial crisis was a result of the change in donor funding trends, and did not reflect the Fund's efficacy. Indeed, the new or increased contributions of some donors to UNCDF were a recognition of the Fund's development effectiveness.

27. Early on three options were identified as the crux of the debate on the future of the Fund. The Executive Board could seek to (a) retain UNCDF as a separate UNDP fund; (b) take the necessary steps to integrate UNCDF fully within UNDP, while maintaining the Fund's core comparative advantages, after full consideration of the implications; or (c) decide to close UNCDF operations to avoid a lingering, unresolved situation.

28. But the Fund, delegations asserted, could not be allowed to fail as it played a central role in supporting the MDGs by reaching the very poorest communities in the LDCs. Indeed, the return on investment in UNCDF was so high that closure was not an option. Programme countries, in particular, underlined the importance for the Fund in their countries and regions, confirming their willingness to work with and support UNCDF now and in the future.

29. Delegations pointed to two indispensable UNCDF niches contributing to MDG achievement in the LDCs: its work to promote local governance and access to financial services. Regarding the latter, it was noted that UNCDF had an important role to play in the forthcoming International Year of Microfinance in 2005.

30. While suggesting that greater alignment with UNDP operations might serve to give UNDP greater access to UNCDF expertise, facilitate wider impact of UNCDF, and possibly help to resolve UNCDF funding problems, it was emphasized that the Fund's future should not be discussed solely in simplification and harmonization terms, which might risk neglecting the source of UNCDF comparative advantages. Concerned about the image of UNCDF, it was suggested that the Fund needed to do more to raise its profile and boost its visibility.

31. Delegations affirmed that efforts to restore UNCDF financial health would necessitate a clear assessment of available funding and business model options, which delegations requested for the second regular session in September 2004.

32. In response, the Associate Administrator and the Deputy Executive Secretary/Officer-in-Charge, UNCDF, thanked delegations for their strong expressions of support for UNCDF work, and assured delegations that UNDP and UNCDF would continue to collaborate closely with Member States to develop funding solutions and an enhanced business model for the Fund urgently.

33. The Executive Board adopted decision 2004/13 on the United Nations Capital Development Fund.

IV. Funding commitments

34. In discussing document DP/2004/20, delegations commended the Administrator for his leadership in redressing the organization's financial stability.

35. Numerous delegations stated their commitment to make multi-year pledges based on MYFF targets, and to increase funding to regular resources. In parallel, programme countries welcomed the multi-year pledges already made by several donors, and appealed to all donors to increase their funding commitments to UNDP.

36. Many delegations welcomed the positive funding assessment and thanked the Administrator for his leadership. Several delegations echoed the need to share the funding burden and to have a more predictable resource base buttressed by multi-year pledges against established payment schedules.

37. The importance of core contributions was stressed by various delegations, underlining its importance for effective development at the field level. And they encouraged stakeholders to give priority to regular (core) over other (non-core) resource contributions.

38. While the funding base had not yet been fully restored, delegations noted with satisfaction that MYFF targets were within reach. Current optimism was based on the 15 per cent increase in core funding in 2003, owing partly to favourable exchange rate fluctuations, which had been matched by a clear upward trend in UNDP total income. So while it had fallen behind on the previous MYFF targets, the organization was on track to reach the current MYFF targets. However, delegations noted that the organization was always exposed to the risk of negative exchange rate fluctuations, and stressed the importance of addressing the difficult UNCDF situation.

39. A few delegations echoed the Administrator's concern about the organization's dependence on a limited number of donors, stressing the need to strengthen stakeholder commitment to ensure that resource levels reach targeted goals. They encouraged UNDP to seek ways in which to attract new donors in an effort to bolster the organization's long-term viability and reach the $1.1 billion target set by the Board.

40. The Administrator thanked delegations for their commitments and increases in core multi-year contributions based on MYFF targets, while underlining the benefit of balancing off funding contributions among donors.

41. The Executive Board adopted decision 2004/14 on funding commitments to UNDP.

V. Country programmes and related matters

42. The Executive Board reviewed the second one-year extension of the second country cooperation frameworks for Chile and Uruguay, the two-year extension for the second country cooperation framework for Zimbabwe and the one-year extensions for the second country cooperation frameworks for Belarus, Hungary, Latvia and Slovakia (DP/2004/21). The Board also provided comments on the first draft country programme documents for Angola, Burundi, Lesotho, Madagascar; Islamic Republic of Iran, the Philippines; Armenia, Azerbaijan, Bosnia and Herzegovina, Kazakhstan, Kyrgyzstan, the former Yugoslav Republic of Macedonia, Romania, Serbia and Montenegro, Tajikistan, Turkmenistan, Uzbekistan; and Argentina.

43. Delegations underlined the need for greater financial commitment and other means to attract funding, in particular cost-sharing mechanisms. There was a suggestion to consider the possibility of local financing for programmes. They encouraged further and clearer links between country programmes, the MYFF and the PRSPs, and more joint planning with all partners, including donors, in areas of mutual interest. They requested greater coherence in monitoring and reporting as well.

44. Some delegations noted with satisfaction the inclusion of gender as a cross-cutting theme in 13 country programmes, but expressed regret that little mention was made of the important role of women in poverty reduction, environmental sustainability and disaster management.

45. More assistance was requested for post-conflict countries and countries with economies in transition, which could well become donor countries. There was a request to include more information on human security and to promote the human security trust fund, despite the absence of international consensus on its definition.

46. Human rights and the promotion of democratic governance were also highlighted as areas that country programmes should cover more comprehensively. Criticism of human rights standards and the promotion of democratic governance, however, should not fail to mention efforts made or focus explicitly on a country's internal affairs.

47. The Executive Board took note of the first draft country programme documents and comments made thereon for Angola, Burundi, Lesotho, Madagascar; Islamic Republic of Iran, the Philippines; Armenia, Azerbaijan, Bosnia and Herzegovina, Kazakhstan, Kyrgyzstan, the former Yugoslav Republic of Macedonia, Romania, Serbia and Montenegro, Tajikistan, Turkmenistan, Uzbekistan; and Argentina, prior to the finalization of the country programmes, as well as the one-year extensions for the second country cooperation frameworks for Belarus, Hungary, Latvia and Slovakia, already approved by the Administrator.

48. The Executive Board approved the second one-year extension of the second country cooperation frameworks for Chile and Uruguay, and the two-year extension for the second country cooperation framework for Zimbabwe.

VI. Human Development Report

49. In discussing the update on *Human Development Report* consultations (DP/2004/22) delegations commended the Director, Human Development Report Office (HDRO), for her commitment to ensuring extensive, quality consultations in putting together the annual reports.

50. While generally pleased with the statistical base used in the report, delegations pointed out that nationally and internationally compiled data must be compatible, which would better reflect realities on the ground and avoid negatively portraying countries. They underlined the need to ensure the use of most recent, impartial data, with sources clearly attributed. One delegation suggested including important national indicators in the reports.

51. Another delegation suggested inviting the contributors of the report to attend informal consultations. In support for the forthcoming report on cultural liberty, it was stressed that culture should not be viewed as an obstacle to humanity's growth.

52. In response, the Director, HDRO, confirmed that consultations over the previous year had in fact treated substantive issues closely. In particular, she assured delegations that HDRO was working at national and international levels to cull balanced, legitimate data and information. However, discrepancies between national data from national statistical authorities and international series provided by organizations such as the United Nations Education, Scientific and Cultural Organization and the World Health Organization were inevitable. That was the case because national data needed to be harmonized and because there were sometimes differences in methodology. Because it was a user, not a producer, of data, HDRO was proactively promoting better communication between national and international authorities to reduce inconsistencies. She concluded by reiterating the continued commitment of HDRO to ensuring a constructive consultation process with stakeholders at all levels.

53. The Executive Board took note of the update on *Human Development Report* consultations (DP/2004/22)

VII. United Nations Office for Project Services

54. In discussing document DP/2004/23, delegations urged United Nations organizations to do business with the United Nations Office for Project Services (UNOPS), while encouraging the Management Coordination Committee (MCC) to support it in expanding business acquisition, and UNDP to engage UNOPS more in the provision of common services.

55. They emphasized that UNOPS had to remain financially viable in the short and long term. Given the organization's limiting outsourcing nature and the existing critical state of business acquisition and project delivery, there was discussion as to whether it was advisable to envision changing its mandate.

56. That UNOPS had begun working with regional development banks on common projects drew praise and encouragement, as well as support for expanding its activities in engineering, infrastructure and public works in direct cooperation with host governments.

57. While the proposal to offer services directly to host governments was welcomed, caution was voiced over obstructing fledgling private sectors. Delegations requested further information on the proposal, including details on UNOPS experiences and capacity building efforts to address similar challenges.

58. Delegations asked when the change management process was forecast to end, how vital diversification was to UNOPS future, and what potential there was for new business. Asserting that UNOPS should not use its operational reserve, one delegation suggested strict budget monitoring as a means of dealing with the potential increase in expenditures. Mindful of the organization's current financial and business challenges, delegations concurred that the Executive Board should allow UNOPS a flexible timeframe to implement solutions.

59. As the principal aim was to reduce UNOPS decline in business with United Nations organizations, careful Board analysis was critical, in particular with regard to issues of procurement and fee structures. A request to hold an informal meeting before the second regular session in September was voiced.

60. Delegations also requested a report at the second regular session 2004 detailing business projections for 2004-2006, plans to overcome current obstacles, problems with Enterprise Resource Planning (ERP), experiences of working in post-conflict situations and measures to regain the confidence of core clients.

61. In response, the Administrator commended the Executive Director, UNOPS, stating that he and his team had the full support of the MCC. While UNOPS had begun rebuilding the confidence of clients, the business climate had changed and classic partnerships, such as that between UNOPS and UNDP, were under great pressure. It was imperative that UNOPS develop other business. Delivering value to programme countries was not easy but necessary in order to make UNOPS viable once again.

62. The Executive Director said that UNOPS intended to work with local contractors, builders, architects and engineers in programme countries to facilitate capacity building on the ground. It would continue to expand its work with the international financial institutions. Both procurement and infrastructure were evolving into key areas for UNOPS. He indicated that at the outset the core provisions of the change management period would last no more than two years. With regard to ERP, measures were being taken to speed up installation, take advantage of the system's functionality, improve staff skills and clean data effectively.

63. The Executive Board adopted decision 2004/15 on the United Nations Office for Project Services.

VIII. United Nations Volunteers

64. In discussing document DP/2004/24, delegations expressed enthusiasm for the important role played by United Nations Volunteers (UNV) in raising the profile of volunteerism as part of the follow-up to the International Year of Volunteers (IYV) 2001, managing the growth and placement of volunteers and putting the MDGs at the centre of its work. They commended UNV efforts to align its programme frameworks with the goals established in the MYFF and ROAR.

65. Many tributes were paid to Ms. Sharon Capeling-Alakija, former Executive Coordinator, for her dedication to the values of volunteerism and her indelible legacy and guidance of UNV.

66. Delegations noted with satisfaction that the number of serving UNV volunteers, assignments, countries of origin, countries of assignment and volunteers from developing countries had increased for the seventh consecutive year.

67. They praised in particular several national programmes that had been set up with UNV support, and the special role played by UNV volunteers in bridging the gap between relief and development.

68. Delegations recommended that UNV enhance results-oriented reporting, provide more thorough analysis of the development impact of programme activities and the challenges in implementing lessons learnt, and build on pilot partnerships.

69. Noting that the programme was essentially demand-driven, many delegations encouraged increased contributions to the Special Voluntary Fund, which allowed UNV to experiment with new projects and partners.

70. Delegates enquired about the UNV role in peacekeeping operations, what could be done to improve impact analysis and what measures UNV was taking to promote knowledge management and sharing, including by assisting former volunteers to gain regular staff assignments in United Nations organizations. A request was made for further information on UNV collaboration with the United Nations Department for Peacekeeping Operations, with details on lessons learnt.

71. UNV was asked to identify areas in which it could envisage doing less, what specific activities could be targeted for Internet programmes to reach remote areas, and what UNV would require to carry out its functions more effectively.

72. One notable area of inter-agency collaboration was preparation for the forthcoming conference on volunteerism to be held in Islamabad in December 2004 organized in cooperation with UNDP and UNV. One United Nations organization stressed the important role of UNV volunteers in facing the HIV/AIDS epidemic and, in particular, involving people living with HIV/AIDS.

73. One non-governmental organization (NGO) observer made specific reference to the importance of a recently concluded agreement with UNV, established, inter alia, to work together in promoting an enabling environment for voluntary action.

74. In response, the Executive Coordinator, a.i., acknowledged that the reporting system required change. UNV had undertaken results-based management, which would facilitate improved reporting in the future. While no substitute for employment, volunteering was a good use of people's time and helped to retain dignity when paid work was unavailable. In that sense, unemployed graduates should be encouraged to volunteer. UNV played no part in deciding whether peacekeeping operations should be mounted, but provided staff for such operations, as UNV staff could be identified and mobilized quickly. As a United Nations programme, UNV made efforts to maximize the safety and security of volunteers, while trying not to limit their effectiveness. Many former volunteers had indeed gone on to gain employment in the United Nations system.

75. The Executive Board adopted decision 2004/16 on the United Nations Volunteers.

IX. Evaluation

76. In discussing document DP/2004/25 on evaluation, delegations commended UNDP for progress made in aligning the poverty reduction strategy papers (PRSPs) and the Millennium Development Goals (MDG) reports, while stressing the need to clarify how the organization could best contribute to the process. Some delegations suggested that all future management response papers include an action plan or summary of proposed actions.

77. They encouraged UNDP to continue to strengthen working relations with the Bretton Woods institutions on linking PRSPs to MDGs, while requesting more information on the UNDP proposal to collaborate with the World Bank in order to operationalize the PRSP-MDG linkage in pilot countries.

78. The synergy between the monitoring and campaigning units had yet to be fully utilized. Links between MDG reports and PRSP annual progress reports were still unclear. One delegation queried whether it were possible to use the PRSPs to measure progress towards reaching the MDGs. Delegations also sought further clarification on UNDP collaboration with the Millennium Project. One delegation asked about the origin of poverty reduction initiatives, and whether any originated in middle-income countries.

79. In response, the Principal Advisor and Group Leader of the Poverty Group, Bureau for Development Policy (BDP), highlighted the importance of using common indicators to strengthen PRSP-MDG reporting links. With the World Bank, UNDP had identified indicator sets that were most relevant to annual changes. He reiterated the United Nations commitment to ensuring that development models were nationally owned and based on frank policy dialogue and wide participation among stakeholders, whose constructive role, he asserted, depended on their statistical literacy.

80. The Macro, Growth and Structural Policies Advisor, Poverty Reduction Group, BDP, added that UNDP had proposed working with the World Bank to ensure PRSP-MDG links, for both monitoring and pro-poor policies, by targeting specific PRSP countries in the both the early and later stages of strategy formulation. The common, global project Poverty and Social Impact Analysis would provide an additional opportunity for such collaboration.

81. UNDP was also seeking to collaborate with the Millennium Project in countries where similar studies were conducted, with UNDP specializing on promoting long-term capacity development for poverty reduction. Financial constraints, however, meant that in addition to official development assistance, countries needed to mobilize more national resources and foster public and private investment for growth and development. To achieve the MDGs, he also emphasized that many countries, especially in Africa, needed greater debt relief.

82. The Executive Board took note of the report on follow-up on evaluations with regard to PRSPs and MDG reports and addressing the PRSP-MDG linkages (DP/2004/25).

X. Technical cooperation among developing countries

83. In discussing the report on the implementation of South-South cooperation (DP/2004/26), delegations led by members of the Group of 77 welcomed the report and expressed their readiness to support South-South cooperation initiatives, especially in the areas of technical capacity building, provision of micro-credit to small businesses, health and resource mobilization.

84. Delegations emphasized that South-South cooperation was a necessary complement to North-South cooperation, but must not replace it. Both modes of cooperation provided an ideal framework in which to foster peaceful relations

among countries and secure the well-being of populations. Technical cooperation and resource mobilization should thrive both between South-South and North-South.

85. They expressed their satisfaction with the work on triangular cooperation, whereby a donor country financed a South-South cooperation initiative. South-South cooperation should thus serve to promote inter-regional cooperation, intra-regional assistance, and regional integration efforts, areas which should be considered when formulating the third cooperation framework, along with a clearer strategy for utilizing existing trust funds.

86. Innovative ways of combating the brain drain from South to North were urgently needed. Developing countries considered South-South cooperation an appropriate mechanism through which to harness the benefits of globalization and bridge the digital divide separating developed and developing countries. There was a call to engage more closely with the private sector and with educational institutions to promote information and communication technologies.

87. Delegations appreciated the reasons given by the Administrator in his opening remarks regarding the somewhat extended transition period before the appointment of the new director for the Special Unit for South-South Cooperation. They thereby supported his intention to bring on new leadership once a strengthened, streamlined unit had been set up with a clear mandate approved by the Board at its second regular session in September 2004.

88. Delegations looked forward to informal consultations to discuss in more detail the third cooperation framework, which would be submitted to the Executive Board at its second regular session 2004.

89. The Executive Board took note of the report on the implementation of South-South cooperation (DP/2004/26).

XI. Gender in UNDP

90. In discussing document DP/2004/31, delegations commended UNDP for making gender one of the five key ‘drivers’ of the second MYFF, 2004-2007, and for ensuring that managers and staff would be held accountable for mainstreaming gender in all service lines and throughout the organization.

91. They commended UNDP for its good progress and encouraged it to achieve the 50/50 gender balance by 2010 at the institutional level. Delegations commended the corporate initiative to conduct a formal assessment of UNDP work on gender by an independent team but stressed the need for immediate tangible action. They underscored the need to adopt a country-specific perspective and to ensure that both men and women were part of initiatives and solutions. Delegations were also hopeful to see a growth in micro-credit projects to assist women.

92. More information was requested on the timeframe and lines of responsibility for measures indicated in the report. They encouraged UNDP systematically to mainstream gender in the United Nations Development Assistance Framework and common country assessment processes, and highlighted the importance of gender in reaching the MDGs by 2015.

93. While mindful of the difficulties in measuring gender results, delegations emphasized that responsibility for gender mainstreaming lied with UNDP and that implementation of the recommendations in the mainstreaming report should begin promptly. An action plan with concrete targets, measurable actions and indicators on gender mainstreaming should be drawn up.

94. Delegations sought further clarification on the main elements of the UNDP partnership with UNIFEM, in particular with regard to greater integration of programming at the regional level, joint programmes and unity of leadership on gender equality.

95. The Executive Board adopted decision 2004/21 on the management response to "Transforming the Mainstream: Gender in UNDP" and decision 2004/22 on gender balance in UNDP.

Joint UNDP/UNFPA segment

XII. Internal audit and oversight

96. In discussing documents DP/2004/27, DP/FPA/2004/6 and DP/2004/28 on UNDP, UNFPA and UNOPS internal audit and oversight, respectively, delegations underscored the apparent lack of remedial action to address weaknesses identified in internal audits.

97. Some delegations requested that the organizations develop a harmonized framework to resolve the issues contained in the audit reports. Delegations wished to know if efficiency and processing of audit functions had ameliorated thanks to recent implementation of the Enterprise Resource Planning (ERP) system.

98. There was also concern over the reduced number of UNDP audits, in particular with regard to country offices, and what procedure was followed when country officers performed poorly. Delegations stressed the importance of keeping tabs to ensure that resources were accounted for and spent accordingly.

99. With regard to cost-recovery policy, the organization should ensure that core resources did not subsidize non-core resources. Another delegation queried how cost-recovery and fee services were applied in the absence of clear written memoranda of understanding. With regard to procurement activities, delegations supported their monitoring via reporting. It was suggested, however, that UNDP should avoid performing procurement activities in the place of governments, to ensure that accountability lines were not blurred.

100. With regard to UNFPA, delegations stated that country offices should be diligent in following up on audit recommendations and asked what mechanisms existed for sharing lessons within the United Nations system. Timely financial reporting was essential for accountability.

101. Delegations agreed that a framework containing concrete objectives, and a time-path and indicators for the resolution of issues contained in the audit reports should be presented by the three organizations to the Executive Board at its second regular session 2004 for review to improve follow-up to audits. The Board also

asked UNDP to report at the same session on proposed measures to establish an enhanced cost-recovery mechanism.

102. The Associate Administrator said that ERP implementation had been successful. An in-depth review was planned in all three organizations adopting the new system. UNDP was working with UNFPA, UNICEF and WFP to ensure that a consistent national audit strategy was followed, providing reasonable assurance that funds were used for intended purposes while minimizing the burden on governments. A draft strategy would be submitted to the United Nations Development Group later in the year. Moreover, the Office for Audit and Performance Review (OAPR) change process was near completion, with few vacant posts remaining.

103. The Officer in Charge, OAPR, while sharing delegates' concerns about the decline in the number of audits in 2003, stated, however, that 2003 had been an atypical year, owing largely to the impact of OAPR comprehensive restructuring. Despite the low number of audits, the Officer in Charge, believed that overall there was not a significant impact on internal controls because OAPR was able to keep abreast of significant issues – both through informal means such as facilitating workshops and more formal systems such as global staff survey and partnership survey – and focused its resources on high risk offices.

104. In addition to the risk assessments, annual and continuous, undertaken by OAPR, OAPR would be spearheading a corporate risk assessment that will involve UNDP managers. While UNDP has done some informal assessments in the past, the goal will be to undertake a more comprehensive assessment and feed it into a refinement of the UNDP internal control framework. While memoranda of understanding were in place for all agencies covering cost-recovery, some issues of legal liability had yet to be clarified.

105. The Officer in Charge also commented that a key mechanism for ensuring that lessons learnt by one organization were shared with the rest of the United Nations system was through an annual meeting of the heads of internal audit.

106. The UNFPA Deputy Executive Director (Management) welcomed further discussion on the requested framework, particularly with the proposed deadline being unrealistic. She noted the various initiatives under way in UNFPA to strengthen accountability. She stated that lessons were shared, inter alia, through the Fund's Oversight Committee that included members from other United Nations organizations. The Director of the Fund's Division for Oversight Services assured the Executive Board that UNFPA would continue to do risk analysis. She noted that the Fund's Geographical Divisions were diligently following up with country offices on audit recommendations. She stated that the operations managers in country offices would play a key role in systematic follow-up to audits and in strengthening the management of office operations in general.

107. The Executive Board adopted decision 2004/17 on internal audit and oversight for UNDP, UNFPA and UNOPS.

XIII. Programming process

108. Delegations expressed satisfaction with the progress demonstrated in documents DP/2004/29-DP/FPA/2004/7 and DP/2004/30-DP/FPA/2004/8. They were concerned, however, that the existing process of 18 to 24 months between analysis and implementation of the country programme might be too lengthy to respond to changing situations at the country level, thereby delaying relevant programme implementation.

109. In addition, the presentation of the country programme document only at the annual session would not provide the flexibility to meet national cycles. One delegation was not convinced that evidence pointed to the need for such flexibility.

110. With regard to joint programming, delegations attached great importance to streamlining and harmonizing the United Nations Development Assistance Framework and common country assessment among United Nations organizations with national development strategies to achieve the MDGs. Such alignment was expected to improve programme delivery, reduce administrative costs and establish a single United Nations presence in countries. Donors were encouraged to be flexible, adjust to simplified and harmonized procedures and accept common reporting. Delegations commended UNDP and UNFPA for the revised Guidance Note on Joint Programming, and encouraged them to implement it as soon as possible.

111. Delegations noted that while joint programming was a process that would ensure a coordinated approach for United Nations organizations to achieve results, joint programmes should emerge from this process as practical responses to the local situation. In addition, delegations supported the suggestion for donors to accept harmonized reporting, although specific contributions would not be identifiable.

112. They observed, however, that UNDP, UNICEF and UNFPA cost structures were not yet harmonized and would continue to have different overhead and cost-recovery rates. Delegations asserted that funding mechanisms should use harmonized procedures as far as possible, and the Board should endeavour to send consistent messages to Executive Committee and non-Executive Committee agencies.

113. Delegations, noting that joint programming was positive, as it increased effectiveness and reduced transaction costs, requested more information on joint programming experiences and the percentage of total resources allocated to joint programming, and on joint reporting.

114. In response, the Director, Bureau for Development Policy, concurred that the approval process for country programmes could be shortened. But he asserted that because they responded both to immediate and long-term issues, country programmes had to be able to stand the test of time and support the MDGs. He indicated that UNDP could be more flexible in the country programme approval process, but it required Board guidance.

115. He noted the importance of making the UNDAF results matrix more of a strategic instrument, as opposed to a negotiated document. Doing so would help to

ensure its unified, effective use for identifying joint programmes at the country level.

116. The Deputy Executive Director (Management), UNFPA, welcomed the encouraging comments. She noted that the Guidance Note provided clear distinction between joint programmes and joint programming. The note included guidance on which modality to use in which circumstance with a view to reducing transaction costs.

117. The Executive Board adopted decision 2004/18 on progress in implementing decision 2001/11 and decision 2004/19 on joint programming.

XIV. Field visits

118. Delegations thanked the rapporteurs from El Salvador and Eritrea for introducing, respectively, the reports on the joint field visit to Guatemala (DP/2004/CRP.4–DP/FPA/2004/CRP.3) and the field visit to Ukraine (DP/2004/CRP.5–DP/FPA/2004/CRP.4).

119. They emphasized the importance of field visits in enabling Bureau members to gain first-hand experience of the United Nations convening power, its capital of trust and its neutrality. With regard to the joint visit to Guatemala, they underlined the key role the organizations could play in fostering peace and promoting the political participation of indigenous groups. Delegations encouraged further efforts to simplify and harmonize agency efforts, which would greatly benefit the resident coordinator system.

120. With regard to the field visit to Ukraine, the benefits of cost-sharing were highlighted along with the need for effective partnerships to enable different perspectives and implementation of country-specific policies. The impact of technical assistance was recognized, and the business centre set up by UNDP should serve as a model for other country offices. The remarkable progress towards building a functioning market economy was noted.

121. Delegations highly commended the substantial positive results that UNFPA had been able to achieve in Ukraine with limited funding, including with regard to integrating medical, social and information/education services related to reproductive health. They underscored the effective interaction between the Government and UNFPA, and their strong working relationship. They encouraged UNFPA to consider developing a country programme for Ukraine.

122. One delegation called for continued international support to address the needs of Chernobyl-affected populations and regions, and encouraged the country's partners to increase their support for national HIV-prevention efforts.

123. The UNFPA Deputy Executive Director (Programme) appreciated the positive comments and thoughtful recommendations and noted that the Fund would like to move to a country programme approach in Ukraine but this would depend on the availability of resources. He stated that UNFPA planned to enhance HIV-prevention efforts, particularly with regard to young people.

124. The Executive Board took note of the reports on the joint field visit to Guatemala (DP/2004/CRP.4–DP/FPA/2004/CRP.3) and the field visit to Ukraine. (DP/2004/CRP.5–DP/FPA/2004/CRP.4)

XV. Joint proposals for MYFF reporting

125. In discussing document DP/2004/CRP.6–DP/FPA/2004/CRP.2, delegations expressed their support for harmonized reporting and suggested that UNDP, UNFPA and UNIFEM should also liaise with the United Nations Children's Fund. They would welcome the opportunity to discuss UNDP ideas on objectives but encouraged the organizations to avoid too much focus on process – achieving goals was paramount.

126. Delegations endorsed the joint UNDP, UNFPA, UNIFEM proposal for harmonized reporting on results as outlined in the report. They underlined, however, the possible need to revert to the issue at a later session in view of the outcome of the triennial comprehensive policy review of United Nations operational activities for development by the fifty-ninth session of the General Assembly.

127. The Executive Board adopted decision 2004/20 on joint proposals for reporting on the multi-year funding framework.

XVI. Joint meeting of the Executive Boards of UNDP/UNFPA, UNICEF and WFP: proposals for 2005

128. The President reminded delegations that the Executive Board had originally planned to discuss the proposals for the joint meeting in 2005 at the present annual session. As the Bureaux of the other Executive Boards of UNICEF and WFP were still discussing the topics to be taken up at the joint meeting, it was proposed to continue to discuss this matter at the Bureau level.

129. The President informed Board members of the general consensus among the three Bureaux on the following four broad topics: (a) HIV/AIDS; (b) simplification and harmonization; (c) transition from relief to development; and (d) gender. He invited delegations to provide their inputs to the Bureau through their respective regional vice-presidents.

UNFPA segment

XVII. Report of the Executive Director for 2003

130. In her opening statement, the Executive Director highlighted that the International Conference on Population and Development (ICPD) agenda empowered individuals, families, communities and nations. The ICPD Programme of Action had put individuals and human rights – not population numbers and population growth rates – at the centre of the equation. Underscoring the centrality

of population and reproductive health issues in eradicating poverty and achieving the Millennium Development Goals (MDGs), she stated that it was now widely recognized that the MDGs – in particular MDGs 3, 4, 5 and 6 – could not be achieved without achieving the ICPD goal of universal access to reproductive health services. She emphasized the importance of ensuring that the linkages were given visibility at the 2005 General Assembly.

131. She affirmed the Fund's commitment to United Nations reform, noting that the real purpose of the reform was to make the United Nations system more efficient and effective in reaching people and meeting their needs. She observed that UNFPA had been in the forefront of United Nations efforts to develop simplified and harmonized processes and stressed the need to align these processes with those taking place within OECD/DAC. She underscored the importance of building the capacity of countries to achieve the MDGs. She noted the need to further strengthen the resident coordinator system.

132. She emphasized the urgent need to promote activities to link HIV/AIDS and reproductive health initiatives, observing that the linkages should be addressed in national development plans and budgets, poverty reduction strategy paper (PRSP) processes, sector-wide approaches (SWAps), common country assessments (CCAs) and United Nations Development Assistance Frameworks (UNDAFs). She underscored the critical importance of reproductive health commodity security.

133. Concerning the role of culture, she noted that UNFPA had recently examined its programming approaches in order to develop more inclusive approaches that would encompass culture and religion and the roles played by local power structures and institutions – an approach UNFPA called "working from within". The aim was to add a "culture lens" to UNFPA programming tools and the rights-based approach that was at the heart of the ICPD Programme of Action. The Executive Director concluded by reiterating the Fund's commitment to national capacity-building and to creating an enabling environment that brought everyone on board in the development process.

134. Delegations congratulated the Executive Director on her visionary and inspiring statement and expressed strong support for UNFPA. They welcomed the Fund's commitment to place the ICPD agenda squarely in the process of achieving the MDGs and underscored that the way to 2015 leads through Cairo. They emphasized that UNFPA remained the main advocate and catalyst of the ICPD agenda and played a crucial role in assisting countries in implementing the ICPD Programme of Action. Commending UNFPA for its commitment to cultural sensitivity in programme design, delegations noted that this led to higher levels of acceptance and ownership by the community.

135. Delegations acknowledged the Fund's contributions to reducing maternal mortality and morbidity, providing access to safe and voluntary family planning, combating HIV/AIDs, promoting reproductive health commodity security, mainstreaming gender, addressing gender-based violence and harmful practices and promoting South-South cooperation. Delegations supported the Fund's focus on adolescent reproductive health issues, including in relation to HIV/AIDS, and underscored the need to integrate reproductive health and HIV/AIDS programmes. They emphasized the need to address the issue of the feminization of the HIV/AIDS epidemic, particularly in sub-Saharan Africa.

136. Delegations welcomed UNFPA moving its activities upstream and shifting its focus from projects to policy, particularly the emphasis on reproductive health and rights, and commended the Fund's commitment to rights-based and culturally sensitive programming. They commended and encouraged the Fund's efforts to improve the technical skills of its staff to facilitate enhanced involvement in SWAp and PRSP processes. Regarding making engagement in SWAps mandatory, one delegation asked what this meant in practice, given the Fund's limited resources.

137. One delegation wondered to what extent the geographical dispersion of limited resources negatively impacted the efficiency and effectiveness of the Fund's activities. Another asked for more information about the Fund's partnerships with other development actors. One delegation cautioned against imposing conditionalities and underscored that donor-driven priorities should not overshadow the needs and priorities of programme countries. Delegations welcomed the Fund's increased resources and encouraged the Fund to continue expanding its donor base.

138. The Executive Director thanked the delegations for their positive comments and strong support. She appreciated their focus on ICPD goals being a prerequisite to achieving the MDGs. She underscored the Fund's commitment to partnerships, including with WHO, the World Bank, other bilateral and multilateral organizations and NGOs. She reiterated that the Fund was enhancing staff capacity to participate in PRSPs and SWAps. She was encouraged that delegations had emphasized the importance of HIV/AIDS and reproductive health linkages and the need to expand those linkages. She underlined the Fund's commitment to a human-rights approach to programming and stated that an inter-divisional task force had been established to ensure that the linkages between human rights, culture and gender were strengthened in UNFPA programming. Regarding the query on geographical focus, she emphasized that the Fund allocated resources in accordance with criteria approved by the Executive Board, which gave priority to countries with the greatest need. Thus, 67 to 69 per cent of resources were allocated to category "A" countries, which included all the least developed countries.

139. The Executive Director noted that one of the Fund's comparative advantages was the technical assistance it provided for capacity-building. She noted that South-South cooperation was a useful modality for strengthening national capacity-building. Regarding the comment on donor-driven priorities, she stressed that the planning and preparation of UNFPA-supported country programmes was led by the concerned programme countries, in line with national plans and priorities. She fully agreed that programme countries must be in the driver's seat to ensure ownership of programmes and emphasized the Fund's commitment to the principles of universality, neutrality and multilateralism. She noted that UNFPA had facilitated the development of joint programming guidelines. She stressed the need to improve the resident coordinator system. She concluded by expressing deep appreciation for the support to UNFPA and the ICPD Programme of Action.

140. The Executive Board adopted decision 2004/23 on the annual report.

XVIII. Funding commitments to UNFPA

141. Delegations thanked the Executive Director for her opening remarks; the Chief, Resource Mobilization Branch, for introducing the report on funding commitments

to UNFPA (DP/FPA/2004/10); and the Deputy Executive Director (Management) for the explanation regarding lower expenditure in 2003 compared to 2002. Delegations welcomed the lucid and transparent report and commended its high quality.

142. Delegations commended UNFPA efforts to secure funding and welcomed the substantial increase in contributions to the Fund. They were pleased with the Fund's return to the $300 million level of core resources for the first time since 1996, noting that the increased funding reflected donors' confidence in UNFPA. A number of delegations announced their contributions to UNFPA, including multi-year pledges and/or increases. Some delegations hoped to make additional year-end contributions.

143. Encouraging further increased contributions and early payments to facilitate programme planning and implementation, delegations underscored the need for a predictable and secure base of core resources. Some delegations emphasized the joint responsibility to meet the funding targets of the MYFF and urged further discussion on multi-year pledging. One delegation suggested that it would be useful if those engaged in multi-year pledging could explain its feasibility to other interested delegations at an informal side event.

144. While welcoming the Fund's expanding donor base, delegations cautioned against dependence on a small number of donors. One delegation encouraged UNFPA to further explore funding from the private sector. Several delegations took the occasion of the upcoming tenth anniversary of the ICPD to reaffirm their support to UNFPA and their resolve to implement the ICPD Programme of Action.

145. One delegation, while noting its support for United Nations staff security, stated that funds for security should come from assessed contributions.

146. The Executive Director thanked delegations for their support. She conveyed special thanks to countries that had announced increased contributions and multi-year pledges. She specially appreciated the contributions of programme countries that were often made in spite of economic constraints. She noted that in future reporting a table would be included to show programme country contributions to programmes and local office costs. She welcomed the suggestion regarding a future informal discussion on multi-year pledging. Concerning funding for staff security, she noted that until such time that a decision was taken on assessed contributions from countries, United Nations organizations would have to cover security costs. She concluded by assuring the Executive Board that UNFPA would use its resources in a transparent, effective and accountable manner.

147. The Executive Board adopted decision 2004/24 on funding commitments to UNFPA.

148. Following the adoption of the decision the delegation of the United States of America stated that it had joined the consensus but wished to make an explanation of its position: the United States strongly supported activities including those by UNFPA to implement the goals and objectives of the ICPD as long as they were not understood to mean support for, or advocacy of, abortion. Additionally, the "Road Map" formulation of the Millennium Development Goals was not the same as the internationally agreed development goals. The United States did support the internationally agreed goals, including those in the Millennium Declaration.

XIX. Country programmes and related matters

149. Delegations thanked the Deputy Executive Director (Programme), the Directors of the Africa Division, the Division for Arab States and Europe, and the Asia and the Pacific Division, and the UNFPA Representatives from Uzbekistan and Myanmar for their introductory remarks. The Executive Board had before it a two-year extension of the country programme for Zimbabwe; a note on the implementation of the UNFPA special programme of assistance to Myanmar; and 13 draft country programme documents.

150. Delegations commended the quality of the draft country programme documents, particularly the results and resources frameworks. They welcomed the Fund's efforts to harmonize programme cycles with other United Nations organizations, as well as the coordination achieved through the UNDAF process. Delegations appreciated the important role of UNFPA in providing reproductive health care, including family planning. They welcomed the references to Millennium Development Goals and PRSPs and underscored the importance of addressing HIV/AIDS. One delegation noted that the move from free contraceptives to those with fees should be gradual so as not to neglect poor and disadvantaged users. Another asked about constraints encountered at the country level and about culturally sensitive approaches to programming. Some delegations commented on particular aspects of specific draft country programmes.

151. Delegations asked about the impact of the Myanmar programme and wondered if interventions would be scaled up. They supported continued assistance in the area of reproductive health They inquired about activities that had not been implemented.

152. The UNFPA Geographical Division Directors thanked the delegations for their encouraging comments and noted that comments on specific draft country programmes would be conveyed to the concerned countries.

153. The Executive Board approved the two-year extension of the Zimbabwe country programme; and took note of the Note on the implementation of the UNFPA special programme of assistance to Myanmar. The Board also took note of the following draft country programme documents and the comments made thereon: Angola, Burundi, Madagascar, Islamic Republic of Iran; Philippines, Armenia, Azerbaijan, Kazakhstan, Kyrgyzstan, Romania, Tajikistan, Turkmenistan and Uzbekistan.

XX. Evaluation

154. Delegations thanked the Director, Division for Oversight Services for her introduction and commended the high quality and transparency of the evaluation report (DP/FPA/2004/12). They were pleased to note the increased resources devoted by UNFPA to evaluation and to building staff competence in results-based management. They commended UNFPA for moving towards a vision of evaluation as a systemic learning tool.

155. Delegations welcomed UNFPA efforts to use local experts in conducting evaluations. They welcomed the thematic evaluation of UNFPA support to national capacity development. One delegation asked how the Fund was taking into account

the recommendations from that evaluation. Delegations encouraged UNFPA to continue joint evaluation work with national authorities and other development partners while commending the joint evaluations undertaken before adoption of a new UNDAF. One delegation asked if under the new system traditional evaluations would disappear.

156. One delegation asked if there was a mechanism to ensure that lessons learned were fed into the Fund's systems and how lessons and good practices were shared within UNFPA and with its partners. One delegation recommended continued training for staff, including joint training with other United Nations organizations. The importance of improving planning and monitoring was emphasized.

157. Delegations inquired about the challenges UNFPA faced in participating in sector-wide approaches (SWAps) and asked how donor and other countries could help. One delegation asked why two countries had been unable to carry out mandatory evaluations. Another suggested that in the future it would be useful to have an annual evaluation work plan.

158. The Director, Division for Oversight Services, thanked the delegations for their positive comments. She assured the Executive Board that UNFPA would continue using national experts for evaluations. She noted that the UNDAF process presented increased opportunities to the United Nations country teams for joint evaluations. Regarding the use of evaluation findings, she underscored that findings and lessons learned were very much used at the country-level and were fed back into the planning process. Lessons were also shared with the United Nations country team in the context of the UNDAF, as well as with other development partners through working groups focused on evaluation issues and other interagency fora. She noted that UNFPA would continue to invest in staff training to develop capacity, including capacity-building at the country level.

159. Concerning the query on SWAps, she noted that UNFPA was strengthening its staff's technical knowledge and skills to enhance participation in SWAps. Regarding the two countries that had not undertaken evaluations, she clarified that in one country there had been a delay in the start of the country programme and an evaluation would be undertaken in the fourth year as required; regarding the other country, she noted that due to inadequate baseline data an evaluation had not been feasible. She added that the country was aware of what needed to be done and was addressing the issue. Concerning the request for an annual evaluation work plan, she sought clarification and asked if it referred to the headquarters level evaluation plan. She pointed out that each country office would have its own monitoring and evaluation plan that would be in line with the stage of the particular programme.

160. She assured the Executive Board that traditional evaluations would continue. She concurred regarding the importance of an analytical approach to programme design and noted that it would lead to better quality monitoring and evaluation in due course. She concluded by underscoring the upward trend in the Fund's investment in evaluation.

161. The Executive Board took note of the Periodic report on evaluation (DP/FPA/2004/12).

XXI. Other matters

Presentation on a transition country: Timor-Leste

162. The presentation on Timor-Lest outlined the role of United Nations organizations in helping the country move from a post-conflict to a normal developing country situation. The Minister of Health, Timor-Leste, provided comments on the contribution of the United Nations system.

163. Delegations commended the United Nations system for its constructive role in Timor-Leste while highlighting the need for capacity building and recruitment of competent staff for specific tasks, especially in assisting countries to move from crisis to relief to development. The role of the United Nations Volunteers and the Office of the United Nations High Commissioner for Refugees in rapid deployment was underscored, as was the strategic role of women in post-crisis situations.

UNFPA special event: "Putting People First: Implementing the ICPD Agenda and Achieving the MDGs"

164. The Executive Board Special Event Panel Discussion entitled "Putting People First: Implementing the ICPD Agenda and Achieving the MDGs" marked the tenth anniversary of the International Conference on Population and Development (ICPD). The panellists were: Mr. Serge Chappatte (Switzerland), Mr. Poul Nielson (European Commission), Professor Gita Sen (India), Dr. Jotham Musinguzi (Uganda), Dr. Nebiha Gueddana (Tunisia), Mr. Cheikh Hassan Cisse (Senegal), Ms. Gabriella Ocampo Jaramillo (Ecuador) and Mr. Damian Brown (Jamaica). The Executive Director of UNFPA chaired the panel discussion. The President of the Executive Board delivered a special message from the Secretary-General to mark the occasion. In his message, the Secretary-General underscored that the implementation of the ICPD agenda was essential for achieving the Millennium Development Goals.

Part three
Second regular session

Held at United Nations Headquarters in New York from 20 to 24 September 2004

I. Organizational matters

1. The second regular session 2004 of the Executive Board of UNDP and UNFPA met from 20 to 24 September in New York. At the session, the Executive Board approved the agenda and work plan for its second regular session 2004 (DP/2004/L.3 and Corr.1), as orally amended, and the report on the annual session 2004 (DP/2004/32).

2. It agreed that further consultation was needed at the Bureau level before adopting the tentative work plan for the first regular session 2005, the annual work plan 2005 (DP/2004/CRP.7) and the following proposed dates for sessions in 2005:

First regular session 2005: 21 to 28 January 2005

Annual session 2005: 13 to 24 June 2005 (New York)

Second regular session 2005: 19 to 23 September 2005

3. Decisions adopted at the second regular session 2004 were included in document DP/2005/2 accessible at www.undp.org/execbrd.

Administrator's statement

4. In his opening address to the Executive Board, the Administrator, UNDP, reiterated the importance of 2005 as a pivotal year in United Nations efforts to achieve the Millennium Development Goals (MDGs) by the 2015 deadline. Underlining the growing urgency of the situation, he stressed that any real attempt at reaching that deadline would require a substantial increase in resources and tangible progress on all fronts, especially in Africa. In that regard, he drew attention to the informal high-level meeting on achieving the MDGs in Africa that would take place during the Board session. He spoke of the benefits of dismantling trade barriers to accelerate higher growth in developing country economies, debt relief for highly indebted poor countries, and opportunities for private sector development. The international community could not afford to miss its chance in 2005 to put in place the right policies, resources and above all political will needed to meet the MDGs.

5. In the area of United Nations reform and partnership building, the Administrator highlighted the importance of the burgeoning partnership between UNDP and the United Nations Industrial Development Organization (UNIDO) as an example of simplification and harmonization efforts at the country level that could serve as a model for future collaboration with other United Nations organizations. He announced the approval by the Advisory Committee on Administrative and Budgetary Questions to upgrade the post of Assistant Administrator and Director, Bureau for Resources and Strategic Partnerships, to that of Assistant Secretary-General.

6. He reassured delegations of the UNDP commitment to gender mainstreaming and gender equality, and the organization's efforts to ensure their incorporation into policies and programmes. He highlighted the successes and expectations of the joint roll out of the Enterprise Resource Planning system (Atlas) by UNDP, UNFPA and the United Nations Office for Project Services (UNOPS), as well as the relationship

between UNDP and UNOPS and the future business model for the United Nations Capital Development Fund.

7. Delegations stressed that UNDP should continue to focus on the critical situation in Africa, make every effort to align the poverty reduction strategy papers (PRSPs) more closely with the MDGs and support technical cooperation in peace-building, economic growth and human security. The possibility of requesting an increase in security funding to tackle country-specific security challenges was raised. With regard to partnership building, delegations encouraged UNDP to step up its efforts to forge ties with the private sector and civil society. The organization would also do well to capitalize on its growing partnership with the United Nations Development Fund for Women and United Nations Volunteers to drive gender-mainstreaming efforts.

UNDP segment

II. Financial, budgetary and administrative matters

8. In discussing documents DP/2004/34 and Add.1, DP/2004/35, DP/2004/36, DP/2004/37 and Add.1, DP/2004/38 and DP/2004/39, delegations expressed appreciation for the consistent growth in overall UNDP resources over the previous four years, and especially the upward trend in regular resources for the third consecutive year. They emphasized the importance of eliminating the subsidization of other resources from regular resources as quickly as possible.

9. Despite increasing options for financing development activities, the importance of official development assistance and a predicable, stable regular resource base were underlined. In praising the accrual in regular resources, it was noted that fluctuating exchange rates should be considered when determining the funding increases while the Board might wish to avoid the term 'voluntary contributions', which could be misunderstood by governments. With regard to programme financing, several delegations wished to underline the positive role that burden sharing could play.

10. In noting ongoing UNDP activities to harmonize cost recovery principles and cost classification, they encouraged the organization to attribute costs in a transparent manner and develop a more straightforward cost-recovery mechanism with clear accountability for results. UNDP should likewise work to remove cross-subsidization in funding structures to eliminate discounts/incentives to non-core donors. In that regard, there was further need to enhance inter-agency relationships and strengthen the resident coordinator system, about which further discussion on the use of target for resource assignment from the core (TRAC) 2 resources was encouraged.

11. In discussing the continued strength of the Inter-Agency Procurement Services Office (IAPSO) as a self-financing entity and its consulting, capacity-building and partnership role, delegations commended IAPSO for its innovations in web-based procurement and supported efforts to intensify regional/governmental training programmes. They encouraged the office to enhance on-line services for the private sector and offer products from developing countries.

12. In response, the Administrator reiterated that while the organization's ability to attract non-core resources demonstrated its competitiveness and efficiency at the

market level, its long-term financial viability depended on the existence of a strong, secure core resource base.

13. The Assistant Administrator and Director, Bureau of Management, underlined the determination of the organization to ensure full cost recovery for all resources received and managed by UNDP. He stressed, however, that that could only be achieved gradually as old projects were phased out and new policies put in place.

14. With regard to Atlas, he indicated that wave one was operational for UNDP, UNFPA and UNOPS finances and national staff across the globe. External access to Atlas by national execution authorities and projects would be piloted in selected countries. He emphasized the importance of change management and training in taking full advantage of the new planning system. A major priority was to enhance the reporting system, whose ready access of data already provided tangible benefits in ways that had previously not been possible, such as a gender scorecard. With regard to staff security, costs were being met through regular and other resources, and UNDP was seeking support for local costs under the government contributions to local office costs (GLOC) concept.

15. The Executive Board adopted decision 2004/29 on the annual review of the financial situation, 2004/30 on strategic cost management and implications for cost recovery and 2004/31 on the report of the Inter-Agency Support Services Office for the biennium 2002-2003.

III. South-South cooperation

16. In discussing the third cooperation framework for South-South cooperation (DP/CF/SSC/3), delegations noted with appreciation that South-South trade had been growing at 11 per cent a year for the previous decade, in particular between Africa and Asia. Underlining its benefits, it was agreed that South-South cooperation should be expanded to combat HIV/AIDS, create jobs and reduce poverty, and harness the talent of well-educated individuals of the South living in the developed countries to meet the MDGs. They were encouraged to see emerging economies become the 'prime movers' of South-South cooperation, stressing the need to involve more constructively the least developed countries.

17. To ensure the most effective approach to achieving its goals, the organization should expedite the process to appoint a full-time director of the Special Unit.

18. Delegations encouraged the organization to make better use of pivotal countries and continue promoting triangular cooperation. In the case of natural disasters, for example, UNDP could create regional response capabilities by using triangular relationships to get resources on the ground.

19. They emphasized the need to mainstream South-South cooperation in the design and implementation of programmes, linking it more closely to the MDGs and the multi-year funding framework (MYFF), and to define more clearly the Special Unit's value added niche. The organization should also work to ensure that the new framework had a catalytic effect on the horizontal activities of the United Nations system. Delegations encouraged UNDP to use United Nations Day for to promote South-South cooperation among developing countries.

20. UNDP should continue working to achieve private sector cooperation and involvement, and determine how developed countries could help to facilitate those

goals. Ways should be sought to develop markets for goods from the South and promote Asia-Africa partnerships in order to exchange expertise and share best practices. In that regard, there was a need to integrate lessons learned better and provide more analysis on business-to-business relationships.

21. Delegations encouraged the organization to formulate strategies to propel greater country office involvement while avoiding duplication among United Nations organizations. They also stressed the need for the Special Unit to promote South-South cooperation within regional and subregional groupings. The Special Unit could also support South-South initiatives in areas such as human rights, gender and disaster management. UNDP would do well to consider establishing regular meetings with South-South cooperation focal points to take advantage of knowledge gained in the field.

22. In response to the issue of appointing a director for the Special Unit, the Associate Administrator stated that many applications had been received following the posting of the vacancy notice. A shortlist of potential candidates had been approved in light of a thorough review of applicants, and a final decision would be made by mid-October 2004.

23. The Director, Operations Support Group, highlighting the changing South-South cooperation landscape, pointed to the crucial role of consultations in refocusing its expanding capacities and expectations. The organization had begun to think beyond simply playing an advocacy role to becoming a catalyst generating tangible results on the ground. New areas of engagement were identified – the sharing of best practices in HIV/AIDS prevention and promotion of the private sector via the Africa-Asia Business Forum, for example. The new South-South framework, born of that new thinking, would continuously evolve in the future. Staff would be moved to regional centres to foster cross-regional initiatives; a South-South best practices database would be established, demand-driven direct services provided, and triangular cooperation expanded. He stressed that the term 'prime mover' referred not necessarily to 'pivotal' countries but to countries willing to take the lead. Plans for United Nations Day were still evolving and would involve a public-private partnership focus. A meeting to enhance collaboration among Development Assistance Committee (DAC) donors on South-South initiatives was planned for 2005.

24. The Executive Board adopted decision 2004/32 on the third cooperation framework for South-South cooperation.

IV. Evaluation

25. In discussing documents DP/2004/40, DP/2004/41 and DP/2004/42, delegations were glad to note the progress made in evaluation. They highlighted the value of reporting results in accordance with UNDP corporate goals as defined in the MYFF, and appreciated the enhanced alignment of UNDP and its funds and programmes.

26. UNDP, it was asserted, should make every effort to ensure that the assessment of development results remained one of its highest priorities. They noted, however, that results-based management tools had not been sufficiently internalized in the organization, and thus urged UNDP to give the highest priority to training key staff in results-based planning, monitoring, evaluation and reporting.

27. Concern was raised over the low quantity of country offices evaluations, the basis of effective decision-making and accountability. While they acknowledged that compliance had been measured over the programme period, delegations asked UNDP to increase the quantity of country offices evaluations the following year. It was suggested that quality assurance remain a high priority to ensure that the evidence base was strong. There was a request for UNDP to add an annex to the next annual report on evaluation with an overview of all evaluations performed corporately and in country offices.

28. Delegations underlined the intrinsic importance of evaluation to a knowledge-based, knowledge-networked organization. They welcomed the introduction of the Evaluation Resource Centre as a repository of evaluative knowledge, and encouraged UNDP to ensure that access to that material was as open as possible. The programme of staff exchange between country offices and the Evaluation Office was considered innovative and worthy of potential replication. Delegations wished to learn more about the growth of the Evaluation Network (EvalNet) and regional initiatives in capacity development both within UNDP and among its partners. Delegations also encouraged UNDP to continue to build its work with the DAC Network on Evaluation. It was suggested that the approach of the International Fund for Agricultural Development in tracking follow-up to evaluation recommendations might provide lessons for UNDP.

29. Delegations welcomed the forthright reporting and commended the quality and usefulness of the evaluation of the second global cooperation framework (GCF). It was stressed that such evaluations should serve as learning instruments and a source of accountability for the Board. Some concern was expressed that the evaluation was vague on the effectiveness of GCF-II, although such judgments were perhaps premature. Delegations urged UNDP to continue to implement the recommendations in the evaluation report when elaborating the proposed GCF-III, particularly the development of a set of measurable indicators to assess its performance. The Board would consider the GCF-III proposal in more detail at its first regular session 2005.

30. In response, the Director, Evaluation Office, thanked the Board for its positive feedback and its continued support in helping UNDP to strengthen its evaluation function. She agreed that there was a need to address the issue of the low frequency of evaluations conducted at the country level, and thus the strength of the evidence base on which UNDP relied. She noted that while just over 30 outcome evaluations had been completed by September 2004, 64 were planned for completion by country offices between October 2004 and June 2005.

31. She assured delegations that the assessment of development results remained a high priority for evaluation. Country and thematic-focused evaluations would continue to focus on and raise vital strategic issues for UNDP.

32. Responding to the importance of evaluation to a knowledge-based and knowledge-networked organization, she stressed the value of the Evaluation Resource Centre, which facilitated country office sharing of evaluation experiences via its global database.

33. Responding to comments on GCF-II, the Director, Bureau for Development Policy, made clear that in designing GCF-III the organization was giving its utmost attention to the prescriptions of the evaluation of GCF-II. The main challenge was to ensure by identifying measurable indicators that GCF measures were felt at the field level. UNDP would work closely with the Board in putting together GCF-III.

34. The Executive Board adopted decision 2004/33 on the annual report of the Administrator on evaluation and 2004/34 on the evaluation on the second global cooperation framework.

V. Country programmes and related matters

35. The Executive Board discussed in detail the Administrator's note on assistance to Somalia (DP/2004/43 and Corr.1) outlining the proposed UNDP programme for 2005-2006 taking into account recent developments in the peace and reconciliation process.

36. It reviewed the extensions of country cooperation frameworks for Senegal, Saint Helena and Paraguay (DP/2004/44), and provided comments on the draft country programme documents for Mauritius, the Democratic People's Republic of Korea, the Republic of Korea and Guatemala.

37. The Board also heard an oral report on UNDP assistance to Myanmar covering the major findings and conclusions of the 2004 independent assessment of the Human Development Initiative projects conducted in August 2004.

Assistance to Somalia

38. In discussing the existing situation in Somalia and its implications for the delivery of humanitarian and development assistance, delegations expressed support for the strategic approach of UNDP to promoting peace and security by concentrating on the rule of law, poverty reduction, governance, public administration and civil society.

39. They did, however, request more information on lessons learned, encouraged UNDP to work even more closely with other United Nations organizations, urged a more proactive approach to peacebuilding and in building the technical capacity of the Government, for which the trust fund established in 2002 should play a role and via support to the Intergovernmental Authority on Development (IGAD).

40. Delegations highlighted with concern that the report did not mention positive developments, such as the acceleration of the peace process, the refugee return programme, the exemplary country team coordination that had ensured smooth programme implementation, and the new instrument supporting the United Nations international framework for a joint Rapid Assistance Programme. They recommended closer collaboration with the Government in disarmament, demobilization, rehabilitation and reintegration activities and stressed the importance of African ownership of the peace process.

41. Delegations encouraged UNDP to continue to mobilize resources and develop strategic partnerships, including through the Consolidated Appeals Process and direct donor support, and to cooperate with the Intergovernmental Authority on Development Partners Forum in developments concerning international assistance and coordination arrangements in support of the future Somali Transitional Federal Government.

42. In response, the Resident Coordinator/Resident Representative, explaining that the note by the Administrator did not reflect the latest positive developments

because it had been finalized before they took place, reassured delegations that the database would quickly be updated. He stressed that UNDP could contribute further to the peace process in Somalia by fostering a stronger role for the business community and civil society, and strengthening coordination among United Nations organizations. He added that to adequately address the crisis additional resources would be needed to buttress existing official development assistance.

43. The Board authorized the Administrator to approve projects consistent with the strategic approach on a case-by-case basis.

44. The Executive Board adopted decision 2004/35 on assistance to Somalia.

Assistance to Myanmar

45. In response to the oral presentation on the assistance to Myanmar, delegations expressed appreciation for the activities of UNDP at the community level, in particular its work on HIV/AIDS and as a neutral voice in defence of the poor. With due regard for the specific mandate governing UNDP assistance in the country, delegations commented on the organization's inability to have a wider impact on poverty alleviation given the extensive needs in the country and the particular focus of UNDP activities. In that regard, support was expressed for UNDP work on pro-poor policy issues within the framework of its mandate.

46. There was a call for the Government to maintain its commitment to facilitate the role of UNDP in implementing the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM), in particular at the grass-roots level where much progress had already been made under the UNDP Human Development Index (HDI) projects.

47. Delegations looked forward to receiving the report of the 2004 UNDP HDI Assessment Mission to Myanmar at the first regular session in January 2005.

48. In response, the Resident Coordinator/Resident Representative assured the Board that he was making every effort to enhance consultations among the various stakeholders and that the United Nations strategic framework was one of the mechanisms through which that was being done. With respect to the management of the GFATM, UNDP had put in place a number of mechanisms to conduct frequent audits to ensure the diligent use and flow of funds.

49. The Executive Board took note of the oral report on assistance to Myanmar.

Decisions on country programmes

50. The Executive Board took note of the draft country programme documents and the comments made thereon for Mauritius, the Democratic People's Republic of Korea, the Republic of Korea and Guatemala.

51. The Executive Board adopted the extensions of the country cooperation frameworks for Senegal, Saint Helena and Paraguay.

VI. United Nations Office for Project Services

52. In discussing the progress report of the Executive Director on the activities of the United Nations Office for Project Services (UNOPS) (DP/2004/45), delegations commended the Executive Director for his leadership in working to improve the difficult financial situation of UNOPS, and encouraged him to redouble his efforts to implement the change management process and ensure the agency's financial stability and accountability.

53. While maintaining focus on the organization's mandate, governance and efforts to decentralize, UNOPS should continue to proceed rapidly with internal reforms and attract new business. In that regard, delegations highlighted the importance of increasing business volume by cooperating with other United Nations organizations, in particular UNDP.

54. They called on the Management Coordination Committee to provide complete and impartial support to UNOPS and to consider expanding its membership to better reflect the client base of UNOPS. They encouraged ongoing dialogue between UNOPS, the MCC and Member States, and requested the MCC to report to the Board at its first regular session 2005 on its assessment of progress and guidance provided.

55. Concerned over the financial projections and the projection of the fund balance roll-forward, delegations looked forward to an informal meeting in November 2004 to review the financial performance for 2004 and outlook for 2005.

56. With regard to the preliminary comments of UNOPS to the report of the United Nations Board of Auditors, Board members decided to defer further consideration to the first regular session 2005 where the report would be formally presented together with recommendations from the Advisory Committee on Administrative and Budgetary Questions.

57. In response, the Executive Director noted with appreciation delegations' expressed support and their concern over the current financial projections and the projection of the fund balance roll-forward. He assured the Board that UNOPS would continue to work towards financially securing the organization. The Board would remain fully informed and a report covering UNOPS corporate strategy and updated financial situation would be presented at the first regular session 2005. He looked forward to holding an informal meeting with Board members in late November to report on progress.

58. The Executive Board adopted decision 2004/36 on the United Nations Office for Project Services.

VII. United Nations Capital Development Fund

59. The progress report on options for a future business model of the United Nations Capital Development Fund (UNCDF) (DP/2004/46) identified two options for a new strategic niche for the Fund, with the understanding that maintaining the status quo was not a viable alternative. The first, an ODA-based model, envisioned a UNCDF specialized in retail microfinance funded by voluntary contributions. The second, a private-sector-based model, proposed a UNCDF specialized in channelling and utilizing private capital for high social impact investments in support of the MDGs,

In both options, local governance programmes would be migrated to UNDP in the a newly created Centre for Local Development.

60. In response, delegations stressed the seminal role that the Fund played through its local governance and microfinance programmes in the areas of poverty reduction and policy impact, which have been replicated by donors. UNCDF areas of expertise were found to be very much in demand in least developed countries (LDCs) in particular to respond to the MDGs and country needs.

61. While delegations agreed on the seminal role of the Fund in development activities, reactions varied with regard to the UNDP proposed options to integrate the local governance activities of UNCDF into a distinct unit called the Centre for Local Development, while continuing microfinance activities in UNCDF, possibly with expansion into private sector development work. Several delegations supported the integration of both UNCDF local governance and microfinance activities into UNDP, considering it a synergistic option, in line with broader efforts at organizational consolidation in the United Nations family. Other delegations felt that too few options were proposed, while some expressed satisfaction with the existing UNCDF model.

62. Those supportive of integration asserted that it would allow the microfinance and local governance work of UNCDF to continue while operating in the UNDP context. There was also broad agreement that the work of the integrated local governance unit should continue to focus on LDCs. More complete information was requested on how integration would occur and the amount of resources required.

63. Those delegations that supported the status quo option of maintaining the existing UNCDF model stated that resource mobilization, advocacy and providing assistance/know-how were more sustainable solutions for UNCDF as opposed to restructuring, and suggested a more active role of UNDP in resource mobilization for UNCDF.

64. Other Board members felt the process of integrating UNCDF into UNDP seemed rushed and expressed concern that its mandate was being changed. They asserted that the UNCDF business model, although in need of some restructuring, was essentially performing well as proven by the Fund's reputation as a trusted, effective partner and its critical, relevant work in microfinance. They insisted that not enough information was provided to take an informed decision. Some delegations expressed concern that UNCDF had been without an Executive Secretary for almost a year, to the detriment of overall advocacy efforts.

65. Several Board members expressed reservations about the idea of having UNCDF act as a clearinghouse or wholesale broker in the finance market, and a few expressed specific concerns about the role of UNCDF in taking on financial risks. They requested significant additional analysis in order to consider this option.

66. In conclusion, Board members requested UNDP to elaborate a detailed proposal on the organizational arrangements of the future Centre, its management, staffing, programming and funding arrangements with an assessment of opportunities/risks involved, to be presented to the Executive Board at its first regular session in January 2005.

67. The Board also asked for further clarification on the viability and feasibility of options 1 and 2, taking into account the concerns expressed by delegations, as well as possible other options, such as maintaining an independent UNCDF and

strengthening UNDP assistance to UNCDF in its advocacy efforts to mobilize resources.

68. Furthermore, delegations asked UNDP to elaborate on the option of integrating UNCDF microfinance activities into UNDP, also to be presented to the Executive Board at its first regular session 2005.

69. In requesting those further clarifications, the Executive Board confirmed that the final decision on the mandate and future of UNCDF was solely within the purview of the United Nations General Assembly.

70. In response, the Associate Administrator, noting with appreciation the constructive, forthright comments by delegations, pointed to the need to find a strategic niche for the Fund in light of the options presented in document DP/2004/46. He stressed the importance of reaching a consensus on the best strategy for the Fund's future, and ensured delegations of corporate transparency in doing so. He indicated that an Executive Secretary could only be appointed once the Fund's future had been defined.

71. The Deputy Executive Secretary/Officer-in-Charge, UNCDF, underlined efforts to build on the comparative advantages of the Fund by promoting the growth of sustainable microfinance in least developed countries in Africa.

72. The Executive Board adopted decision 2004/37 on the progress report on options for a future business model for the United Nations Capital Development Fund.

VIII. Gender in UNDP

73. Delegations thanked the Administrator for highlighting UNDP successes in gender mainstreaming and outlining the joint action plan with the United Nations Development Fund for Women (UNIFEM) (DP/2004/47).

74. Delegations expressed their appreciation for the organization's commitment to mainstreaming gender in all its programmes and activities and to ensuring gender equality and women's empowerment in all UNDP service lines. Specific requests for additional clarification, however, were made on how the organization was measuring gender results and more details on gender specific indicators, their use and means of capturing data in the MYFF and ERP system. They also queried if there was a timeline to achieve gender balance in programmes, and requested more information on the inter-agency task force, led by UNIFEM, preparing a toolkit for gender theme groups. There was a query as to whether UNDP would be able to fulfil the objectives of the joint action plan using existing human and financial resources.

75. Delegations welcomed the gender scorecard initiative and its usefulness in providing ongoing monitoring to achieve a 50/50 gender balance at all levels of the organization by 2010. But they sought more information on the functioning of the gender scorecard and whether an incentive programme existed for management implementation. In general, they stressed the importance of monitoring the implementation of gender mainstreaming activities, and encouraged UNDP to ensure appropriate lines of accountability and to carry out systematic performance appraisals.

76. Delegations urged UNDP to be mindful of the autonomy and role of UNIFEM as a catalyst and innovator for gender-related programming. They urged UNDP to work with UNIFEM to promote gender equality as a cross-cutting driver. They commended the collaboration between UNDP and UNIFEM in the regional service centres and noted with appreciation UNIFEM-UNDP teams working with core practice groups to analyse further improvements from a gender perspective. They stressed, however, that UNIFEM should maintain independent reporting.

77. They looked forward to an update on progress achieved in the partnership between UNDP and UNIFEM, as well as to a discussion of the comprehensive corporate strategy for gender mainstreaming and an implementation plan at its first regular session in January 2005.

78. In response, the Director, Bureau for Development Policy, assured delegations that UNDP work on creating reliable indicators for measuring gender results was underway. Delay in finalizing those indicators was partly a result of the inherent difficulties in mapping gender-specific results in projects and programmes. The key role of UNIFEM as innovator and catalyst was underlined, in particular at the country level where UNIFEM and UNDP were working to synergize their efforts.

79. The Deputy Director for Programmes, UNIFEM, looked forward to the informal meeting in November 2004 on finalizing the gender toolkit and discussing the implications of the triennial comprehensive policy review. In underlining the autonomous, innovative character of the Fund, she stated that UNIFEM was vigilant in safeguarding its independent reporting.

80. The Executive Board adopted decision 2004/38 on gender in UNDP.

UNFPA segment

Statement by Deputy Executive Director

81. The Deputy Executive Director (Programme) delivered the opening statement on behalf of the UNFPA Executive Director, who was unable to attend the meeting. He informed the Executive Board that the Secretary-General had confirmed the Executive Director's appointment for another three years. On behalf of the Executive Director, he thanked the Board members for their strong and steadfast support.

82. Focusing on the tenth anniversary of the International Conference on Population and Development (ICPD), he noted that countries had made the ICPD Programme of Action their own blueprint and had reaffirmed their resolve, inter alia, to strive for human rights, gender equality and women's empowerment, provide access to quality reproductive health services, including to combat HIV/AIDS, and mobilize resources to achieve ICPD goals and objectives. He pointed out that the culmination of activities in all regions would be the General Assembly's commemoration of the tenth anniversary of ICPD. The event would take place in New York on 14 October 2004. He underscored the critical linkages between the ICPD agenda and the Millennium Development Goals (MDGs), particularly with regard to eradicating poverty and improving the quality of people's lives.

83. Regarding the triennial comprehensive policy review (TCPR), he underscored that UNFPA, together with other United Nations agencies, was continuously

exploring new ways to strengthen collaboration within the system and with other development partners. The harmonization and simplification of rules and procedures was one such example. He emphasized that the United Nations reform was about people and about making the system more efficient and effective in meeting people's needs.

84. While thanking countries for their contributions and the confidence placed in UNFPA, he observed that in 2004, for the first time in its history, UNFPA expected to pass the $400 million mark in total income. The increase in resources was due primarily to increased contributions from eight major donors, as well as to the favourable exchange rate for the euro.

85. He noted the additional activities UNFPA had undertaken to strengthen its work in the area of culture and human rights, including the launching of a web page on case studies on culture. Before concluding, the Deputy Executive Director introduced the annual financial review, 2003, and underscored the additional measures needed to safeguard the security and safety of UNFPA personnel and premises globally, as well as the resources required for those measures. He noted that those matters would be considered by the Executive Board under agenda item 7: Financial, budgetary and administrative matters.

86. In the ensuing discussion, delegations congratulated the Executive Director on the renewal of her appointment and conveyed good wishes for her speedy recovery. Numerous delegations expressed support for UNFPA and for placing the ICPD Programme of Action high on the international agenda. They stressed that the ICPD agenda was essential for eradicating poverty and meeting the MDGs. The importance of South-South cooperation was emphasized. Delegations appreciated the positive picture regarding UNFPA resources. However, they urged UNFPA to broaden its donor base. They also emphasized the need to increase core resources and expand burden-sharing among donors. A number of delegations announced their contributions to UNFPA, including some that announced major increases.

87. Several delegations called attention to the World Leaders Statement and urged countries that had not already signed the statement to do so in support of ICPD.

88. Delegations' comments pertaining to the annual financial review, 2003, and the additional security requirements to safeguard UNFPA personnel and premises globally are reflected in the section below on agenda item 7: Financial, budgetary and administrative matters.

89. The Deputy Executive Director (Programme) thanked the Executive Board members for their support and guidance. He appreciated the contributions announced by a number of delegations. He also thanked delegations for the good wishes for the Executive Director and noted that he would convey them to her. He stated that UNFPA was greatly encouraged by the support expressed for the World Leaders Statement. He took note of the comments concerning the Fund's resource situation and assured the Board that UNFPA would strive to increase core resources and expand its donor base. He confirmed that South-South cooperation was an important priority for UNFPA. Responding to a query, he noted that the Fund paid close attention to the complex demographic situation in the countries in Eastern Europe and Central Asia. He pointed out that UNFPA greatly valued its partnerships with other United Nations agencies, civil society and other development partners. He also referred to the Fund's important partnership with WHO, including with regard to the '3 by 5' Initiative to tackle HIV/AIDS.

IX. Financial, budgetary and administrative matters

Annual financial review, 2003

90. Following the introduction of the Annual financial review, 2003 (DP/FPA/2004/15) and the corrigendum (DP/FPA/2004/15/Corr.1), a number of delegations took the floor and were pleased to note the upward trend in UNFPA funding. However, they cautioned against complacency and observed that the increase in funding was built on a narrow base of favourable exchange rates and a few major donors. They urged expanding the donor base and underscored the need to increase core resources. It was emphasized that burden-sharing amongst donors should be a central concern in resource mobilization. Delegations asked for further details on some of the trends, including reduction in programme expenditure in 2003 and increase in direct implementation by the Fund. They also asked how UNFPA planned to have more stable funding. While noting that the report was clear and succinct, delegations noted that it would be helpful to include definitions of different categories of income and expenditure in future reports.

91. The Deputy Executive Director (Management) thanked the donors that had announced increased contributions. She appreciated earlier increases by other major donors, as well as the contributions from developing countries, including support to their country programmes. She hoped that the new members of the European Union would be able to provide increased support to UNFPA. She stated that the Fund's resource mobilization strategy focused on increasing the donor base as well as increasing core funding. She noted the trend in co-financing and stated that UNFPA had received large contributions from some donors for specific programmes.

92. Regarding reduced programme expenditure in 2003, she clarified that from 2001 to 2002 there had been a carry-over of close to $40 million. However, from 2002 to 2003 the carry-over had only been $6.6 million. She noted that there had been certain one-time expenditures in 2003, for example, for the Enterprise Resource Planning (ERP) system. Also, system-wide staff salary increases mandated by the General Assembly had impacted the Fund's biennial support budget. She added that due to late payments or large contributions at the end of the year there had been a carry-over of $20 million from 2003 to 2004. She stated that while UNFPA was deeply grateful for additional year-end contributions it was not always possible to rapidly programme those funds at year-end. Regarding the query on how to achieve financial stability, she noted that one way would be to have an increased number of countries make multi-year pledges. She observed that at present a very small number of countries made multi-year pledges.

93. In responding to a query, the Director, Division for Management Services, noted that after-service insurance was presently valued at $69.5 million. He stated that UNFPA incurred expenditure on a pay-as-you-go basis for those benefits and a disclosure had been made in the Fund's financial statement of 2002. He added that the issue was also being discussed within the United Nations system with a view to harmonization. Regarding the annual financial review, he appreciated the suggestions from delegations and noted that UNFPA would incorporate them in future reports.

94. The Executive Board adopted decision 2004/26: UNFPA Annual financial review, 2003.

Additional security requirements to safeguard UNFPA personnel and premises globally

95. The Deputy Executive Director (Management) introduced the report entitled Additional security requirements to safeguard UNFPA personnel and premises globally (DP/FPA/2004/14). She outlined the elements considered essential to ensure the safety and security of UNFPA staff and provided additional information that had been presented earlier to the Advisory Committee on Administrative and Budgetary Questions (ACABQ).

96. Numerous delegations expressed support for the security requirements to safeguard UNFPA staff and premises globally. Delegations underscored that staff security was crucial and should not be compromised. Some delegations noted that the recommendations of the ACABQ should be kept in mind. Delegations requested more detailed information concerning the additional security requirements. They asked about the relationship to the Secretary-General's report being submitted to the General Assembly. They also inquired about coordination with United Nations system-wide security arrangements. Some delegations stated that security costs should be covered through regular funds of the United Nations. Delegations stated that the maximum amount of resources should be spent on programmes and projects and there should be no adverse impact on core funding for programmes.

97. The Deputy Executive Director (Management) appreciated the support expressed. She clarified that funding was being requested to enable UNFPA to ensure Minimum Operating Security Standards (MOSS) compliance; meet the apportioned share of the higher cost of UNSECOORD; meet increasing insurance costs; and establish a basic security structure at UNFPA. She noted that although UNFPA worked in over 140 countries funding was requested for only three regional security advisers. She pointed out that having the additional staff would enable UNFPA to work effectively with the central security structure of the United Nations system and implement the security directives in a timely manner. She noted that the Fund's security adviser had made a major contribution in improving UNFPA security efforts. She further observed that some security measures would be included in project budgets for co-financing. However, those were separate from the additional security requirements for which funding was being requested. She assured the Executive Board that UNFPA would make every effort to minimize the impact of security costs on programmes.

98. The Executive Board adopted decision 2004/27: Additional security requirements to safeguard UNFPA personnel and premises globally.

Report of the ACABQ

99. The Executive Board took note of the Report of the Advisory Committee on Administrative and Budgetary Questions on additional security requirements to safeguard UNFPA personnel and premises (DP/FPA/2004/17).

X. Country programmes and related matters

100. The Deputy Executive Director (Programme) and the Director, Latin America and the Caribbean Division, introduced the draft country programme document for Guatemala (DP/FPA/DCP/GTM/5).

101. Delegations appreciated that the draft country programme had been developed in close consultation with civil society in Guatemala. They supported the Fund's focus on improved skilled attendance at birth and efforts to address obstetric emergencies. They stated that the decrease in the maternal mortality ratio between 1989 and 2000 was a welcome development. The importance of being culturally sensitive in addressing reproductive health issues was underscored.

102. One delegation clarified that its country did not plan to end its contraceptive assistance programme to Guatemala and requested that the draft programme text be amended to reflect that. The delegation added that contraceptive sustainability in Guatemala would be enhanced if UNFPA continued to provide contraceptives beyond 2005. In that regard, delegations welcomed the news about the additional contribution from the Government of the Netherlands for UNFPA to provide reproductive health commodities to Guatemala.

103. Delegations stressed the need to assist the most vulnerable groups in Guatemala, particularly indigenous groups, especially with regard to increasing access to health and educational services. They requested additional information regarding the programme's focus on the indigenous population, as well as with regard to the balance between rural and urban areas. Regarding the long-term sustainability of the programme, one delegation expressed concern that 80 per cent of the programme resources would come from non-core resources. The delegation underscored the importance of utilizing a participatory approach that involved indigenous groups in project development. The delegation added that its country planned to implement a comprehensive project in the western highlands of Guatemala that would focus on health, education and agriculture. Noting that its project on reducing maternal mortality amongst indigenous groups would start in February 2005, the delegation stated that it would like to have a meeting with UNFPA to exchange information.

104. Concerning the programme's gender component, delegations were pleased that the programme would seek to strengthen, with the participation of indigenous women, the dialogue between government and civil society in order to mainstream gender equality and promote women's empowerment. One delegation asked if UNFPA would be working together with other United Nations agencies in addressing the issue of gender. Noting that UNFPA planned to support the Presidential Secretariat for Women, one delegation stated that there was a need for the Government to improve the financial situation of the secretariat.

105. The Director, Latin America and the Caribbean Division, appreciated the positive comments and suggestions made by delegations. Regarding the comment from one delegation, she stated that the text of the document would be amended to reflect that support for contraceptive commodities from that country was not being phased out. She assured the Executive Board that the programme in Guatemala would focus on addressing the needs of the indigenous population, particularly with regard to reducing maternal mortality. Regarding gender issues, she confirmed that UNFPA would engage in joint programming with other United Nations agencies. She took note of the concern regarding long-term programme sustainability and

stated that UNFPA would make every effort to mobilize the required resources. She welcomed the suggestion for UNFPA to exchange information with the country that was planning a comprehensive project in Guatemala.

106. The Executive Board took note of the draft country programme document for Guatemala (DP/FPA/DCP/GTM/5) and the comments made thereon.

XI. Technical Advisory Programme

107. The Deputy Director, Technical Support Division, introduced the report entitled Midterm review of the Technical Advisory Programme (DP/FPA/2004/16). He noted the major changes that the Technical Advisory Programme (TAP) had undergone in its current cycle, 2002-2005. He pointed out that the midterm review was based on only six to nine months of full implementation of the TAP. However, the TAP system was clearly moving in the right direction and UNFPA would report more definitively on its impact in due course.

108. Delegations appreciated the efforts under way to strengthen the competency base and skill mix of the TAP, as well as to promote South-South cooperation. The importance of addressing the needs and priorities of programme countries was underscored. It was stressed that close attention should be paid to the different needs and strategies of programme countries, as well as to their varying institutional and human capacities. Noting that the midterm review appeared to be essentially an internal exercise, delegations asked if any external consultations had taken place in preparing the review.

109. Delegations emphasized that UNFPA should continue to ensure that reproductive health received the funding and the attention it deserved within country policy, planning and budgetary processes. They stressed that the Country Technical Services Teams (CSTs) of the TAP should contribute to and align with such country-led processes as the poverty reduction strategy papers (PRSPs), sector-wide approaches (SWAps) and the United Nations Common Country Assessment (CCA)/United Nations Development Framework (UNDAF).

110. Delegations underscored the need to improve understanding and implementation of the Fund's strategic direction and the need to orient technical support to it. The importance of flexibility in the activities of the CSTs was stressed. One delegation expressed concern regarding the contribution of CSTs to strengthening capacity and supporting engagement at the country level. Noting that the effectiveness of the CSTs should be judged by the value they add to country engagement, the delegation wondered if such engagement should rely so heavily on regional CSTs. The delegation also wondered about the longer term value of the current TAP configuration and offered to explore, with UNFPA, alternative approaches that might better meet the needs of countries for sustained support and responsive technical know-how.

111. Noting that the time-span had been too short for clear conclusions to be arrived at regarding TAP outputs and outcomes, delegations requested a report on the impact of the TAP to be submitted to the Executive Board at the second regular session 2005. They asked whether the TAP cycle could be harmonized with the cycles of the multi-year funding framework (MYFF) and the biennial support budget. They also requested that future reports include information on how the TAP contributed to the goals specified in the MYFF. Delegations also requested

additional information on the Fund's strategic partnerships and encouraged UNFPA to strengthen its partnerships with FAO, ILO and UNESCO. One delegation asked whether there was any cooperation between the UNFPA CSTs and the UNDP Subregional Resource Facilities (SURFs).

112. The Director, Technical Support Division, appreciated the constructive comments from delegations. While noting that the TAP midterm review had been an internal exercise, she pointed out that inputs had been sought from the country offices. She added that in due course there would be an external evaluation with in-depth feedback from national counterparts, national/regional institutions, country offices, as well as other development partners. She observed that the TAP was a modest system with relatively modest resources. She confirmed that the CSTs frequently collaborated with other teams, including the SURFs and the UNAIDS and UNICEF teams.

113. The Deputy Director, Technical Support Division, thanked the delegations for their helpful comments. He noted that as advised by the Executive Board, UNFPA would further strengthen and promote its strategic partnerships with various United Nations agencies. He stated that some of the UNFPA CSTs already worked collaboratively with UNAIDS teams, as well as with ILO and FAO, among others. He noted that UNFPA was putting together a catalogue of all United Nations regional teams and mechanisms. He emphasized that capacity-building at country level was a basic function of the CSTs and it also led to South-South cooperation. He pointed out that the CSTs identified institutions that had the capacity to provide technical assistance in their own countries, as well as the ability to engage in South-South cooperation. He added that a fundamental part of the work of the CSTs was to ensure the implementation of the Fund's strategic direction.

114. The Executive Board adopted decision 2004/28: Report on a midterm review of the Technical Advisory Programme.

Joint UNDP/UNFPA segment

XII. Internal audit and oversight

115. Delegations thanked the Associate Administrator, UNDP, for introducing on behalf of UNDP, UNFPA and UNOPS the joint report on a proposed framework for resolution of issues contained in internal audit reports (DP/2004/CRP.8–DP/FPA/2004/CRP.5).

116. They welcomed the harmonized framework proposed by UNDP, UNFPA and UNOPS and considered it a significant step forward. They noted that the clear objectives, timeframes and indicators specified in the format would allow the Executive Board to monitor progress in resolving issues contained in the UNDP, UNFPA and UNOPS annual reports on internal audit and oversight. Delegations encouraged the three organizations to make the framework as concrete and comprehensive as possible and pointed out that it would be important to specify the actions to be taken under the strategies that were outlined.

117. It was noted that the format should not replace but complement the narrative information contained in the audit reports. Delegations suggested that the format could be used more widely by other parts of UNDP, UNFPA and UNOPS.

Furthermore, they suggested that it would be helpful if other organizations, including UNICEF, could also use the same format.

118. Noting that they were pleased that delegations had endorsed the proposed framework, the Associate Administrator, UNDP, the Deputy Executive Director (Management), UNFPA, the Officer-in-Charge, Division for Oversight Services, UNFPA, the Officer-in-Charge, Office for Audit and Performance Review, UNDP, and the Chief Finance Officer, UNOPS, stated that they looked forward to implementing it. They also observed that the format would be shared with other agencies and organizations.

119. The Executive Board adopted decision 2004/39 on internal audit and oversight.

XIII. Follow-up to UNAIDS Programme Coordinating Board Meeting

United Nations Development Programme

120. Delegations welcomed the report on UNDP follow-up to the UNAIDS Programme Coordinating Board meeting (DP/2004/CRP.9), noting in particular its clarity and precision in identifying the organizations' comparative advantages in combating HIV/AIDS. They did, however, suggest that UNDP was unclear on how it was organizing itself – staff development, programming, level of resources, strategic plan – in dealing with the epidemic.

121. Members of the Board encouraged UNDP to further promote coherence in actions among agencies at the country level and underlined the importance of implementing the "three ones" approach – one agreed HIV/AIDS action framework that provides the basis for coordinating the work of all partners; one national AIDS coordinating authority with a broad-based multisectoral mandate; and one agreed country-level monitoring and evaluation system.

122. They urged UNDP and UNFPA to continue to strengthen the UNAIDS partnership, especially at the country level, and pressed both organizations to ensure the inclusion of the UNAIDS Country Coordinator as a member of the United Nations country team. They likewise encouraged UNDP and UNFPA to develop, in cooperation with the UNAIDS secretariat and the other co-sponsors, a harmonized, outcome-oriented format to report annually on their HIV/AIDS activities to the UNAIDS Programme Coordinating Board, as well as to the Executive Board.

123. In response, the Group Leader, HIV/AIDS Group, UNDP, affirmed that the organizations were diligently working on the 'three ones', which, designed collectively among agencies, were the foundation for all their HIV/AIDS work. The inter-agency task force, consisting of 30 countries, was seeking ways to strengthen coordination among organizations. She stressed, however, that the financial resources needed to run the programme effectively were difficult to obtain. Atlas would prove helpful in compiling data on programme-resource requirements. More information on UNDP comparative advantages would be provided at the first regular session in January 2005.

124. The Executive Board adopted decision 2004/40 on UNDP and UNFPA follow-up to UNAIDS Programme Coordinating Board meeting.

United Nations Population Fund

125. In his opening remarks, the Deputy Executive Director (Programme), UNFPA, underscored that in following up on the recommendations of the UNAIDS Programme Coordinating Board (PCB), UNFPA was deeply committed to making a difference in people's lives. The Chief, HIV/AIDS Branch, UNFPA, introduced the Fund's report entitled UNFPA response: Implementing the UNAIDS PCB recommendations (DP/FPA/CRP.6). He emphasized that as part of its coordination, harmonization and performance monitoring efforts, UNFPA was committed to implementing the "three ones" and developing joint United Nations implementation support plans through the United Nations theme groups on HIV/AIDS. He noted that UNFPA was also focusing on capacity development at the country level; addressing the needs of women and girls; promoting partnerships with civil society, including people living with HIV/AIDS; and comprehensive condom programming.

126. Delegations noted that the UNFPA report was precise and to the point. They welcomed the focus on the Fund's value-added in response to HIV/AIDS, namely, the link to sexual and reproductive health, women's empowerment, gender dimensions and the needs of young people. Delegations welcomed the suggestion contained in the UNFPA report regarding harmonizing the format of the reports to the PCB and the Executive Board.

127. The Executive Board adopted decision 2004/40: UNDP and UNFPA follow-up to UNAIDS Programme Coordinating Board meeting.

XIV. Other matters

Briefing on UNDP-UNIDO partnership

128. The Director General of UNIDO and the Administrator of UNDP gave an informal presentation on the strategic partnership recently forged between both organizations. The presentation provided contextual information about the synergy between the two organizations, including a two-pronged, medium-term approach in the area of technical cooperation and field representation/decentralization.

129. Regarding the technical cooperation portfolio, UNIDO would continue to sharpen the focus and substance of its contributions and articulate a business plan for economic development programmes at the United Nations level. In terms of field representation and decentralization, the strategic partnership with UNDP would facilitate the implementation of recommendations by the Secretary General's Commission on the Private Sector and Development and UNIDO would work with UNDP to create a new field representation model.

Informal high-level meeting on achieving the MDGs in Africa

130. The Executive Board held a high-level informal meeting "Achieving the MDGs in Africa: Paving the Way for Action in 2005 in Beyond", featuring addresses by President Olusegun Obasanjo of Nigeria; President Bingu wa Mutharika of Malawi; the Right Honourable Jack Straw, United Kingdom Foreign Secretary; Dr. Anna

Kajumulo Tibaijuka, Executive Director of United Nations Habitat; and Jeffery Sachs, Special Advisor to the Secretary General on the MDGs and Director of the United Nations Millennium Project.

131. Many critical issues for achieving the MDGs in Africa were discussed including Africa's development challenges and the role of the international community; the work of the New Partnership for Africa's Development (NEPAD); the work of the Commission for Africa; the importance of 2005 in global efforts to achieve the MDGs; the work of the Millennium Project, and growth strategies for Africa.

Presentation of a model for future MYFF reports

132. In accordance with documents DP/2004/4 and DP/2004/CRP.6, UNDP presented to the Executive Board for its consideration a model for future multi-year funding framework (MYFF) reports. The model, or 'mock-up', was prepared to illustrate the latest thinking on how the organization intended to report on performance and results beginning with the annual session of the Board in June 2005.

133. The new generation of reports on the MYFF would provide the Board with a more integrated analysis of performance than their predecessors, with data assembled from a variety of sources. The aim of presenting the mock-up was to demonstrate how reporting would be organized for the Board in the future, subject of course to refinements based on Board feedback and ongoing internal dialogue.

UNFPA informal meetings

134. UNFPA organized two informal consultations: (a) on UNFPA support to young people; and (b) on the review of the UNFPA resource allocation system. The first-mentioned informal consultation was organized in response to a request from delegations at the annual session asking for an informal discussion on the multi-donor evaluation of the work of UNFPA and the International Planned Parenthood Federation in the area of adolescent reproductive health.

Farewell tribute

135. The President of the Executive Board paid tribute to two UNFPA staff members, Richard Snyder and Vernon Mack, who had had a very long association with the Board and would be retiring at the end of the year. He commended them for their distinguished careers and their dedicated and committed support to the Executive Board. Numerous delegations offered their good wishes to the two staff members.

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2004/1
Reporting on the UNDP multi-year funding framework, 2004-2007

The Executive Board

1. *Takes note with appreciation* of the strategically designed approach to the results-oriented annual report (ROAR) that has been presented by UNDP and looks forward to further discussing this matter by the time of the June session;

2. *Stresses* that ROAR reporting should provide Member States with factual analysis of the development effectiveness of UNDP activities and the institutional effectiveness of the organization;

3. *Stresses also* that the UNDP evaluation functions should support the ROAR process by focusing on the evaluation of UNDP activities and effectiveness;

4. *Requests* the Administrator of UNDP, in collaboration with the Executive Director of UNFPA and the Executive Director of UNIFEM, and in consultation with Member States, to explore options for reporting on results in a harmonized manner, each within its respective mandate, and to report on this issue at the annual session 2004 of the Executive Board.

30 January 2004

2004/2
Assistance to Myanmar

The Executive Board

1. *Reaffirms* Governing Council decision 93/21 and Executive Board decisions 98/14, 2001/15 and 2003/2;

2. *Recognizes* the development needs of the people of Myanmar;

3. *Takes note* of the Note of the Administrator on Assistance to Myanmar (DP/2004/8) and the Report by the independent assessment mission to Myanmar, in particular the strategic challenges and recommendations mentioned therein;

4. *Requests* that the Administrator take account of the findings of the independent assessment mission, as appropriate, during phase IV of the Human Development Initiative.

30 January 2004

2004/3
United Nations Office for Project Services

The Executive Board

1. *Takes note* with satisfaction of the report of the Executive Director of the United Nations Office for Project Services (UNOPS) on implementation of the 2003 UNOPS budget (DP/2004/6) and the encouraging estimated financial results for 2003;

2. *Takes note also* of the revised budget estimates for the biennium 2004-2005 and *requests* the Executive Director of UNOPS to submit to the Board, at its annual

session 2004, an update on the budget estimates, including a critical assessment of the business projections for 2004-2005;

3. *Further takes note* of the full response to the recommendations set out in the report of the independent review, the strategy for business acquisition, progress in implementing internal change, the comprehensive timetable and benchmarks for monitoring progress;

4. *Approves* the detailed budget of $8.4 million (DP/2004/7) for the longer-term change process and the modalities for meeting its cost;

5. *Approves* the expansion of the mandate of UNOPS to cooperate directly with regional and subregional development banks on a pilot basis, *encourages* UNOPS to ensure close consultation with resident coordinators, and *requests* the Executive Director of UNOPS to provide an update on progress in his report to the Executive Board at its annual session 2004;

6. *Requests* the Executive Director of UNOPS to continue to facilitate a broader consultation process between UNOPS, the Executive Board and other stakeholders concerning the vision, mandate and governance of UNOPS, and to report on these consultations to the annual session 2004.

30 January 2004

2004/4

UNDP and UNFPA: Recommendations of the United Nations Board of Auditors

The Executive Board

1. *Takes note* of the reports of the United Nations Development Programme (DP/2004/11) and the United Nations Population Fund (DP/FPA/2004/1) on implementing the recommendations of the United Nations Board of Auditors for the biennium 2000-2001;

2. *Stresses* the importance of adequate follow-up to the recommendations by the United Nations Board of Auditors.

30 January 2004

2004/5

Follow-up to the fourteenth meeting of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS

The Executive Board

1. *Welcomes* the reports of UNDP (DP/2004/13) and UNFPA (DP/FPA/2004/5) as an important step towards a more consistent response of the United Nations system to the HIV/AIDS pandemic;

2. *Requests* UNDP and UNFPA to provide more detailed information in their respective annual reports 2004 on how the two organizations, working in cooperation with relevant stakeholders – in particular the other co-sponsors of

UNAIDS – will act on the recommendations made by the UNAIDS Programme Coordinating Board (PCB) during its fourteenth meeting in June 2003;

3. *Further requests* UNDP and UNFPA to make the PCB recommendations available to the Executive Board as an annex to their reports under this agenda item, regularly scheduled during the September meeting of the Executive Board.

30 January 2004

2004/6
Reports to the Economic and Social Council

The Executive Board

1. *Takes note* of the reports of the UNDP Administrator (E/2004/4-DP/2004/12) and the UNFPA Executive Director (E/2004/5-DP/FPA/2004/2) to the Economic and Social Council, and *requests* the secretariat to transmit them to the Economic and Social Council, together with a summary of the discussion at this session;

2. *Stresses* the great importance that it attaches to the upcoming TCPR process and the special contribution of UNDP and UNFPA to attaining the Millennium Development Goals[1], within their respective mandates;

3. *Encourages* UNDP and UNFPA to participate actively in supporting that process by, inter alia, sharing all relevant evaluative and other material in the United Nations Secretariat.

30 January 2004

2004/7
UNFPA multi-year funding framework, 2004-2007

The Executive Board

1. *Takes note* of the report on the UNFPA multi-year funding framework (MYFF), 2004-2007 (DP/FPA/2004/4);

2. *Endorses* the MYFF, 2004-2007, as contained in this report, and *welcomes* the focus on the three results areas of reproductive health, population and development, and gender as key requirements for poverty eradication;

3. *Welcomes* also the mainstreaming of gender equality, adolescent reproductive health and HIV/AIDS prevention into the three results areas;

4. *Affirms* that the MYFF is to serve as the main policy document of UNFPA, as well as a strategic resource and management tool;

5. *Welcomes* the MYFF as a key tool for directing the work of UNFPA in assisting countries in implementing the Programme of Action of the International

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[1] Internationally agreed development goals, including those contained in the Millennium Declaration.

Conference on Population and Development (ICPD)[1], the key actions of ICPD+5[2] and in advancing the Millennium Development Goals[3];

6. *Welcomes* the strengthened support to national development frameworks and *underlines* the importance of strengthening this further through, inter alia, capacity-building and the development of partnerships;

7. *Recognizes* the efforts by UNFPA to establish strategic partnerships to implement the MYFF and *requests* UNFPA to further strengthen collaboration with other United Nations agencies, in line with its mandate and based on its comparative advantages;

8. *Approves* the integrated resources framework for 2004-2007, as contained in this report, and encourages all countries to assist UNFPA to reach a total figure of regular and other resources of $1,523 million for the period 2004-2007, including through multi-year pledges by countries in a position to make them;

9. *Stresses* the importance of core resources to the effective implementation of the MYFF and *encourages* all countries in a position to do so, to increase their contributions to the core resources of UNFPA;

10. *Appreciates* the continued and increased focus of UNFPA on results-based management and *requests* UNFPA to further develop, as part of its annual report, measurable quantitative and qualitative performance indicators related to organizational effectiveness;

11. *Requests* the Executive Director of UNFPA, in collaboration with the Administrator of UNDP and the Executive Director of UNIFEM, and in consultation with Member States, to explore options for reporting on results in a harmonized manner, each within its respective mandate, and report on this issue at the annual session 2004 of the Executive Board.

30 January 2004

2004/8
UNFPA intercountry programme, 2004-2007

The Executive Board

1. *Approves* the proposed UNFPA intercountry programme, 2004-2007, as contained in document DP/FPA/2004/3, in the amount of $226 million, of which $124 million will be programmed from the regular resources of UNFPA, to the extent that resources are available, and *encourages* the Executive Director of UNFPA to seek the balance of $102 million, if necessary, through co-financing and other resources;

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[1] Rport of the International Conference on Population and Development, Cairo, 5-13 September 1994 (United Nations publication, sales no. E.95.XIII.18, chapter I, resolution 1, annex).

[2] General Assembly resolution A/RES/S-21/2, Key actions for the further implementation of the Programme of Action of the International Conference on Population and Development, adopted on 2 July 1999.

[3] Internationally agreed development goals, including those contained in the Millennium Declaration.

2. *Requests* UNFPA to further develop a results-based management system for planning, monitoring and evaluating the intercountry programme, 2004-2007, to ensure that future reporting is performance oriented, bearing in mind the need for synergies between the intercountry programme and the country programmes.

30 January 2004

2004/9
Evaluation: Management response to the report *Millennium Development Goal reports: an assessment*

The Executive Board

1. *Takes note* of the report *Millennium Development Goal reports: an assessment* and of the management response contained in document DP/2004/3 prepared at the request of the Executive Board in its decision 2003/29;

2. *Requests* UNDP to provide further substantive information at the annual session 2004 on the report *Millennium Development Goal reports: an assessment* to allow for further discussion;

3. *Decides* to include the topic "UNDP cooperation with Member States in the preparation of the MDG reports" in the agenda of the Executive Board at its annual session 2005, and *requests* UNDP to prepare a report on the topic, taking into account the Triennial Comprehensive Policy Review during the 59th session of the General Assembly.

30 January 2004

2004/10
UNIFEM multi-year funding framework, 2004-2007

The Executive Board

1. *Notes with appreciation* the results achieved by the United Nations Development Fund for Women in implementing its Strategy and Business Plan 2000-2003, as contained in document DP/2004/CRP.3;

2. *Stresses* that the United Nations Development Fund for Women's comparative advantage is its innovative and catalytic mandate to support the fulfillment of commitments to gender equality and women's empowerment;

3. *Endorses* the strategic directions and priorities set out in the strategic results framework of the multi-year funding framework 2004-2007, as contained in DP/2004/5;

4. *Particularly encourages* the United Nations Development Fund for Women to further strengthen and focus its partnerships within the United Nations system including the United Nations Development Group in order to enhance women's empowerment, human rights and gender equality at all levels and advises all United Nations entities to call upon the United Nations Development Fund for Women in its areas of comparative advantage;

5. *Welcomes* the UNIFEM strategic approach to becoming an effective resource to programme countries and United Nations organizations in bringing, under the

leadership and ownership of the programme countries, a gender equality perspective to coordination mechanisms such as the Common Country Assessment/United Nations Development Assistance Framework and the national poverty reduction strategies;

6. *Encourages* UNIFEM, within its mandate, to contribute to the attainment of the Millennium Development Goals (MDGs)[1];

7. *Notes with appreciation* the effort made by United Nations Development Fund for Women and United Nations Development Programme to work together in partnership in those areas where synergy can strengthen progress towards gender equality and women's empowerment and *encourages* the two organizations to pursue closer cooperation;

8. *Reiterates* that regular resources are the bedrock of UNIFEM and essential to maintaining the multilateral, neutral and universal nature of its work;

9. *Approves* the integrated resources framework for 2004-2007 contained in report DP/2004/5 and encourages all countries in a position to do so to assist the United Nations Development Fund for Women to reach the targeted level of regular and other resources of 177.5 million United States dollars for the period 2004-2007, including through multi-year pledges by countries in a position to make them;

10. *Welcomes* the appointment by the General Assembly of the new Consultative Committee of the United Nations Development Fund for Women as contained in document A/58/PV.75;

11. *Requests* the Executive Director of UNIFEM, in collaboration with the Administrator of UNDP and the Executive Director of UNFPA, and in consultation with Member States, to explore options for reporting on results in a harmonized manner, each within its respective mandate, and to report on this issue at the annual session 2004 of the Executive Board.

30 January 2004

2004/11

Review of the WHO/UNICEF/UNFPA Coordinating Committee on Health

The Executive Board

1. *Endorses* the recommendation contained in document DP/FPA/2004/CRP.1 to discontinue the WHO/UNICEF/UNFPA Coordinating Committee on Health;

2. *Recommends* that the secretariats of WHO, UNICEF and UNFPA continue to strengthen their coordination in the area of health.

30 January 2004

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[1] Internationally agreed development goals, including those contained in the Millennium Declaration.

2004/12
Overview of decisions adopted by the Executive Board at its first regular session 2004

The Executive Board

Recalls that during the first regular session 2004, it:

Item 1
Organizational matters

Elected the following members of the Bureau for 2004:

President:	H.E. Mr. Abdullah M. Alsaidi (Yemen)
Vice-President:	Ms. Gabriela Tanjala (Romania)
Vice-President:	Mr. Marco Balarezo (Peru)
Vice-President:	Mr. Thure Christiansen (Denmark)
Vice-President:	Mr. Félix Mbayu (Cameroon)

Approved the agenda and work plan for its first regular session 2004 (DP/2004/L.1 and Corr.1);

Approved the report of the second regular session 2003 (DP/2004/1);

Approved the annual work plan 2004 (DP/2004/CRP.1);

Approved the tentative work plan for the annual session 2004;

Agreed to the following schedule of forthcoming sessions of the Executive Board in 2004:

Annual session 2004:	14-23 June 2004
Second regular session 2004:	20-24 September 2004

UNDP segment

Item 2
Evaluation

Adopted decision DP/2004/9 of 30 January 2004 on evaluation: management response to the assessment of the Millennium Development Goal reports;

Item 3
Multi-year funding framework

Adopted decision 2004/1 of 30 January 2004 on reporting on the UNDP multi-year funding framework, 2004-2007;

Item 4
United Nations Development Fund for Women

Adopted decision 2004/10 of 30 January 2004 on the UNIFEM multi-year funding framework, 2004-2007;

Item 5
Country programmes and related matters

Approved the following country programmes:

Africa: Benin, the Central African Republic, Kenya, Niger, the Republic of the Congo and Sierra Leone;

Arab States: Djibouti;

Asia and the Pacific: Pakistan and Thailand;

Europe and the Commonwealth of Independent States: Croatia, Lithuania, Poland and the Russian Federation;

Latin America and the Caribbean: Ecuador;

Took note of the one-year extensions of the second country cooperation frameworks for the Democratic People's Republic of Korea and the Republic of Korea and of the first one-year extension of the first subregional cooperation framework for the countries of the Organisation of Eastern Caribbean States and Barbados (DP/2004/9);

Approved a two-year extension of the second country cooperation framework for Guyana (DP/2004/9);

Approved a one-year extension of the second cooperation framework for technical cooperation among developing countries (DP/CF/TCDC/2/EXTENSION I);

Adopted decision 2004/2 of 30 January 2004 on assistance to Myanmar;

Item 6
United Nations Office for Project Services

Adopted decision 2004/3 of 30 January 2004 on the United Nations Office for Project Services;

Joint UNDP/UNFPA segment

Item 7
Recommendations of the United Nations Board of Auditors

Took note of the report of the United Nations Office for Project Services on follow-up to the report on the implementation of recommendations of the United Nations Board of Auditors, 2001-2002 (DP/2004/10);

Adopted decision 2004/4 of 30 January 2004 on UNDP and UNFPA: Recommendations of the United Nations Board of Auditors;

Item 8

Reports to the Economic and Social Council

Adopted decision 2004/6 of 30 January 2004 on the reports of the UNDP Administrator and the UNFPA Executive Director to the Economic and Social Council;

Item 9

Follow-up to the meeting of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS

Adopted decision 2004/5 on follow-up to the fourteenth meeting of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS;

UNFPA segment

Item 10

Country programmes and related matters

Approved the following country programmes:
Africa: Benin, the Republic of the Congo, Kenya, Lesotho, Niger and Sierra Leone;
Asia and the Pacific: Afghanistan and Pakistan;
Latin America and the Caribbean: Cuba and Ecuador;

Adopted decision 2004/8 of 30 January 2004 on the UNFPA intercountry programme, 2004-2007;

Took note of the review of the UNFPA intercountry programme, 2000-2003 (DP/FPA/2004/3/Add.1);

Item 11

Multi-year funding framework

Adopted decision 2004/7 of 30 January 2004 on the UNFPA multi-year funding framework, 2004-2007;

Item 12

Other matters

Review of the WHO/UNICEF/UNFPA Coordinating Committee on Health

Adopted decision 2004/11 of 30 January 2004 endorsing the discontinuation of the WHO/UNICEF/UNFPA Coordinating Committee on Health;

Held the following informal briefings and consultations:
UNDP
Transforming the mainstream: Gender in UNDP;
Cost recovery of services;

UNFPA

Reproductive health commodity security;

Intercountry programme, 2000-2003; poverty reduction strategy papers; sector-wide approaches; and gender-based violence;

Making safe motherhood a reality: a partnership for policy and action;

Joint meeting

Held a joint meeting of the Executive Boards of UNDP/UNFPA, UNICEF and WFP on 23 and 26 January 2004 in which it addressed the following topics: HIV/AIDS: Regional initiatives; simplification and harmonization; resident coordinator system; and security.

30 January 2004

2004/13
United Nations Capital Development Fund

The Executive Board

1. *Takes note with appreciation* of the results-oriented annual report of the United Nations Capital Development Fund (UNCDF) (DP/2004/17), of the executive summary of the independent impact assessment of UNCDF (DP/2004/18) and of the management response to the independent impact assessment (DP/2004/19);

2. *Notes with interest* the conclusions and recommendations set out in the independent impact assessment of UNCDF;

3. *Welcomes* the recent discussions on the private sector and development, in particular, with respect to the importance of strengthening the opportunities and resources for micro-enterprises and small and medium-sized enterprises;

4. *Recognizes* that UNCDF, as confirmed by the independent impact assessment, has, inter alia, contributed to significant results through both its microfinance and local governance programmes in poverty reduction, policy impact, and replication of its projects by donors;

5. *Recognizes further* that a number of the recommendations in the independent impact assessment have potentially wide-ranging implications in terms of, inter alia, a closer relationship with UNDP in the future, programming arrangements within the context of the MYFF, governance structures, and funding arrangements;

6. *Requests* the UNDP Administrator to provide a progress report to the Executive Board at its second regular session in September 2004 with details on options, including for future closer relationships with UNDP, and their implications for governance, programming, funding arrangements, and the possibilities of UNCDF, consistent with its mandate and comparative advantage, to contribute to pro-poor local private sector development; including the assessment of opportunities and risks involved, resource projections, factors for success for each, and ensuring proper consultation with key stakeholders and partners in the process;

7. *Notes with concern* that UNCDF, despite commendable efforts to broaden the donor base, still has not been able to meet the annual core resource target of $30 million called for by the Executive Board in its decision 2002/26 underlining the lack of sufficient financial resources of the organization;

8. *Asserts that*, pending the submission of proposals requested in paragraph 6, UNCDF has a clear role to play in achieving the Millennium Development Goals* at the local level, particularly in local governance and microfinance in least-developed countries and calls upon the member states and other institutions that have not yet done so to further strengthen their contributions to its core funding in the light of the significant results it has achieved.

18 June 2004

2004/14
Funding commitments to UNDP

The Executive Board

1. *Takes note* of the report on the status of regular resources funding commitments to UNDP and its associated funds and programmes for 2004 and onward (DP/2004/20);

2. *Notes* that UNDP is within reach of being provided with a stable and adequate resource base, but that achieving this critical goal will require all Member States, and developed countries in particular, to sustain and indeed increase their funding efforts over the period of the multi-year funding framework (MYFF);

3. *Encourages* Member States to give priority to regular resources ('core' contributions) over other resources ('non-core' contributions);

4. *Appreciates* that countries have increased their core resources contributions and *encourages* all countries that have not yet done so to provide contributions to core resources for 2004 and those that have already made contributions to consider supplementing their 2004 contributions – if they are in a position to do so – so as to accelerate the rebuilding of the regular resource base of UNDP;

5. *Encourages* those States members of UNDP in a position to do so to announce multi-year pledges and payment schedules, and to adhere to such pledges and payment schedules thereafter.

18 June 2004

2004/15
United Nations Office for Project Services

The Executive Board

1. *Takes note* of the annual report of the Executive Director (DP/2004/23);

2. *Stresses* that it is of paramount importance that UNOPS remains financially viable, in the short as well as the long term;

3. *Endorses* the proposal of the Executive Director and the MCC to extend the UNOPS mandate to work directly with governments in the provision of services for infrastructure and public works, in particular in post-conflict and transition situations and countries where this forms part of explicit national priorities and is

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* Internationally agreed development goals, including those contained in the Millennium Declaration.

requested by a recipient government, draws on available resources; does not overlap with the mandates of other United Nations organizations and is endorsed by the resident coordinator; and stresses that the provision of such services shall contemplate local capacity building in infrastructure and public works management;

4. *Requests* UNOPS to take into account earlier experiences in this field and requests the Executive Director to keep the Executive Board informed about the progress and challenges encountered in implementing this expanded mandate;

5. *Notes with satisfaction* that UNOPS has come far in its continuous change management process and that a new management team has been appointed, and looks forward to further implementation of the process in 2004 and 2005;

6. *Notes* that, notwithstanding the relationships being built with new clients, the main challenge for UNOPS is to reverse the decline in business done with UNDP and other United Nations entities;

7. *Encourages* all United Nations entities, and UNDP in particular, to work closely with UNOPS, especially in the field of common services, in situations where UNOPS is cost effective and has comparative advantages;

8. *Requests* the Executive Director to prepare, for the September 2004 session of the Executive Board, based on consultations with the MCC, a progress report that will cover at least the following elements: (a) a realistic business projection for UNOPS 2004-2006; (b) obstacles, if any, at the country, regional and headquarters levels, to UNOPS' reversing the decline in business done with UNDP and other United Nations entities; (c) the risk, if any, that UNOPS will come out of 2004 with a deficit in excess of the operational reserve of the organization.

18 June 2004

2004/16
United Nations Volunteers

The Executive Board

1. *Expresses appreciation* for the activities of the United Nations Volunteers (UNV) programme in promoting volunteerism for development;

2. *Also appreciating* mobilizing volunteers for community-based activities, including disaster relief and development activities, in countries emerging from conflict;

3. *Recognizes* in particular the demand-driven nature of the activities of UNV and the close involvement of programme countries in this regard;

4. *Recognizes* the achievements of the UNV programme in articulating and advocating, including through innovative partnerships and networking, the importance of the contributions of volunteerism, in particular the role it plays towards the attainment of the Millennium Development Goals (MDGs)*;

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* Internationally agreed development goals, including those contained in the Millennium Declaration.

5. *Welcomes* the initiatives taken to extend opportunities for all citizens to engage in volunteering for development by expanding the forms of affiliation with the programme;

6. *Calls for* the relevant organizations and bodies of the United Nations system to continue efforts to integrate volunteerism into their policies, programmes and reports, including those relating to the achievement of the MDGs;

7. *Encourages* governments to contribute to the Special Voluntary Fund to enable UNV to further explore, expand and strengthen the role of volunteerism and volunteer contributions to development;

8. *Reconfirms* its support for the UNV programme as the focal point for follow-up to the International Year of Volunteers and supports the further development of its future role in the report of the United Nations Secretary-General to the 60th session of the General Assembly in 2005;

9. *Encourages* UNV to enhance analysis in future annual reports and thereby provide the Executive Board with an in-depth understanding of UNV activities and their impact.

18 June 2004

2004/17
Internal audit and oversight for UNDP, UNFPA and UNOPS

The Executive Board

1. *Takes note* of the reports on internal audit and oversight (DP/2004/27, DP/2004/28 and DP/FPA/2004/6), and the comments made thereon;

2. *Expresses support* for the continued strengthening and reorganization of the internal audit and oversight resources of the UNDP, UNFPA and the United Nations Office for Project Services (UNOPS);

3. *Urges* the Administrator, and the Executive Directors of UNFPA and the UNOPS, to take the necessary steps to address the issues contained in the reports on internal audit and oversight (DP/2004/27, DP/FPA/2004/6 and DP/2004/28) and to report to the Executive Board at its annual session 2005 in the context of their respective reports;

4. *Requests* the Administrator of UNDP and the Executive Directors of UNFPA and UNOPS to develop a framework containing concrete objectives, as well as a time-path and indicators for the resolution of the issues contained in the reports on internal audit and oversight (DP/2004/27, DP/FPA/2004/6 and DP/2004/28), and to report on this framework to the Executive Board at its second regular session 2004;

5. *Requests* UNDP to carry out a periodic review of its policy on universal prices for services provided by UNDP and to report on the matter at the September 2004 session of the Executive Board, where cost recovery issues are expected to be discussed, with clear indication of how UNDP will improve cost recovery, including a timetable;

6. *Notes with concern* that, according to paragraph 60 of the report, UNDP routinely provides a variety of services to United Nations organizations, sometimes based on a memorandum of understanding (MOU), sometimes without an MOU.

18 June 2004

2004/18
Progress in implementing decision 2001/11

The Executive Board

1. *Takes note* of the report on the UNDP and UNFPA programming process (DP/2004/29-DP/FPA/2004/7);

2. *Welcomes* the progress made in implementing decision 2001/11;

3. *Notes* the concerns expressed in the report DP/2004/29-DP/FPA/2004/7 about the increased time frame for developing country programmes, and requests UNDP and UNFPA to consult with their partners in the UNDG on how to address this concern in a harmonized way and to report back to the Executive Board in 2005.

18 June 2004

2004/19
Joint programming

The Executive Board

1. *Takes note* of the report contained in document DP/2004/30 and DP/FPA/2004/8;

2. *Decides* to defer the consideration of a decision to the first regular session in 2005.

18 June 2004

2004/20
Joint proposals for reporting on the multi-year funding framework (MYFF)

The Executive Board

1. *Recalls* decisions 2004/1, 2004/7 and 2004/10 on the MYFF reporting process;

2. *Adopts* the joint UNDP, UNFPA, UNIFEM proposal for harmonized reporting on results as outlined in the present document, bearing in mind the possible need to revert to the issue in view of the outcome of the triennial comprehensive policy review of United Nations operational activities for development by the 59th meeting of the General Assembly.

18 June 2004

2004/21
Management response to "Transforming the Mainstream: Gender in UNDP"

The Executive Board

1. *Takes note* of the UNDP assessment report, "Transforming the Mainstream: Gender in UNDP" and the associated management response (DP/2004/31), as well as the document "Strengthening the partnership between UNDP and UNIFEM to achieve gender equality" (DP/2004/CRP.2);

2. *Notes* that the report and the management response recognized that UNDP needs to make additional efforts to strengthen staff and managers' commitment to gender mainstreaming, and stresses in this regard that UNDP should implement its strategy for gender mainstreaming rigorously;

3. *Requests* UNDP to prepare a detailed plan of action on gender mainstreaming in UNDP, with concrete targets and measurable actions, for review by the Executive Board no later than at its first regular session in January 2005;

4. *Welcomes* the initiation, under the leadership of the UNDP Evaluation Office, of the independent evaluation of gender mainstreaming in UNDP to be carried out in 2004-2005;

5. *Welcomes* the commitment of the Administrator to be accountable for implementation of gender mainstreaming in UNDP;

6. *Requests* further clarification, at the second regular session in September 2004, of the UNDP-UNIFEM joint plan of action[*] as it applies to gender mainstreaming in UNDP, and at the first regular session in January 2005, an elaboration of how UNDP could scale up operations based on lessons learned in pilot projects undertaken by UNIFEM.

18 June 2004

2004/22
Gender balance in UNDP

The Executive Board,

1. *Bearing in mind* that gender balance is an important human resource strategy for achieving employment equity but that it is a separate activity from making progress on gender mainstreaming as a development effectiveness tool,

2. *Requests*, in this regard, a presentation at the Executive Board of the organizational scorecard mentioned in DP/2004/31 at its next annual meeting in June 2005.

18 June 2004

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[*] as presented in DP/2004/31, paragraphs 44-46

2004/23
Report of the Executive Director for 2003

The Executive Board

1. *Welcomes* the report of the Executive Director for 2003 (DP/FPA/2004/9, Part I; Part I, Add. 1; and Part II);

2. *Notes with appreciation,* in this tenth anniversary year of the International Conference on Population and Development (ICPD), the continuing commitment of countries to the goals and objectives of the ICPD, most recently demonstrated in the outcome of various United Nations regional commissions and the Commission on Population and Development;

3. *Stresses* that the implementation of the ICPD Programme of Action and the Key actions for the further implementation of the ICPD Programme of Action (ICPD+5) makes an essential contribution to the achievement of internationally agreed development goals, including the Millennium Development Goals (MDGs)*;

4. *Notes with appreciation* the efforts being made by UNFPA to assist countries in achieving the MDGs, particularly by integrating population and development, reproductive health, and gender equality into national poverty reduction strategies, and *encourages* UNFPA to further implement its strategy of integrating the ICPD agenda more effectively into country-led frameworks such as sector-wide approaches, poverty reduction strategy papers, health-sector reforms and other national development plans and policies;

5. *Welcomes* the progress UNFPA has made in its transition process, which produced new results-oriented approaches in human resources, knowledge sharing, learning and training, and financial management, and *encourages* UNFPA to further incorporate these approaches into the processes and systems of the Fund in order to improve performance and effectiveness;

6. *Emphasizes* the importance of greater coherence in integrating the ICPD goals and objectives into the social, economic and environmental processes of the United Nations and in all efforts to implement and review the Millennium Declaration, including the MDGs, as called for in General Assembly resolution A/RES/58/291;

7. *Encourages* UNFPA to continue its efforts to forge innovative partnerships among development partners, Governments, civil society organizations and the private sector;

8. *Encourages* UNFPA to continue to deepen its partnerships within the United Nations system to ensure greater appreciation and operationalization of the links between the internationally agreed development goals, including the MDGs, the ICPD Programme of Action and ICPD+5;

9. *Encourages* UNFPA to continue its vital contribution to the advancement of United Nations reform and, as a key member of the United Nations Development Group, to coherence within the United Nations system.

23 June 2004

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* Internationally agreed development goals, including those contained in the Millennium Declaration.

2004/24
Funding commitments to UNFPA

The Executive Board

1. *Welcomes* the report on funding commitments to UNFPA for 2004 and future years (DP/FPA/2004/10);

2. *Notes with satisfaction* that UNFPA has, in 2004, attained a funding level of over $300 million in regular resources, thus matching the level attained immediately following the International Conference on Population and Development (ICPD);

3. *Recognizes* also that sustaining and improving this funding level will require countries that are in a position to do so to augment their funding efforts during the period of the UNFPA multi-year funding framework (MYFF), 2004-2007;

4. *Commends* UNFPA for pursuing a strategy to maintain a strong core funding base, *encourages* UNFPA to continue its efforts to reduce dependency on a few large donors and to broaden its donor base, *invites* all countries that have not yet done so to provide contributions to regular resources for 2004, and *further invites* those that have already made contributions to consider supplementing their 2004 contributions in order to increase the regular resource base of UNFPA;

5. *Encourages* countries that are in a position to do so to announce multi-year pledges and payment schedules in accordance with the current MYFF cycle, 2004-2007, and to maintain such pledges and payment schedules thereafter, and *further encourages* countries to make contribution payments as early in the year as possible;

6. *Encourages* UNFPA to continue to mobilize supplementary resources for its programmes, bearing in mind that core resources remain the bedrock of the resource mobilization strategy of UNFPA;

7. *Recognizes* the key role of UNFPA in assisting countries to achieve the goals and objectives of ICPD and the Key actions for the further implementation of the ICPD Programme of Action (ICPD+5), which make an essential contribution to achieving the Millennium Development Goals*, and that the effective implementation of the ICPD Programme of Action and ICPD+5 will require adequate financial resources, both domestic and external, and *encourages* all countries to intensify their efforts in this regard and in accordance with the relevant provisions of the ICPD Programme of Action;

8. *Invites* all countries to make every effort to strengthen their commitment to meet the goals of the ICPD Programme of Action.

23 June 2004

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* Internationally agreed development goals, including those contained in the Millennium Declaration.

2004/25
Overview of decisions adopted by the Executive Board a its annual session 2004

The Executive Board

Recalls that during the annual session 2004, it:

Item 1
Organizational matters

Approved the agenda and work plan for its annual session 2004 (DP/2004/L.2);

Approved the report of the first regular session 2004 (DP/2004/14); and

Agreed to the following schedule of future sessions of the Executive Board in 2004 and 2005:

Second regular session 2004:	20 to 24 September 2004
First regular session 2005:	24 to 28 January 2005
Annual session 2005:	13o 24 June 2005 (New York)
Second regular session 2005:	19 to 23 September 2005.

UNDP segment

Item 2
Annual report of the Administrator

Took note of the annual report of the Administrator for 2003 (DP/2004/16), including Add.1 and Add.2;

Item 3
United Nations Capital Development Fund

Adopted decision 2004/13 of 18 June 2004 on the United Nations Capital Development Fund;

Item 4
Funding commitments

Adopted decision 2004/14 of 18 June 2004 on funding commitments to UNDP;

Item 5
Country programmes and related matters

Took note of the following draft country programme documents and the comments made thereon:

Draft country programme document for Angola (DP/DCP/AGO/1);
Draft country programme document for Burundi (DP/DCP/BDI/1);
Draft country programme document for Lesotho (DP/DCP/LES/1);
Draft country programme document for Madagascar (DP/DCP/MDG/1);

Draft country programme document for the Islamic Republic of Iran (DP/DCP/IRN/1);

Draft country programme document for the Philippines (DP/DCP/PHL/1);

Draft country programme document for Armenia (DP/DCP/ARM/1);

Draft country programme document for Azerbaijan (DP/DCP/AZE/1);

Draft country programme document for Bosnia and Herzegovina (DP/DCP/BIH/1);

Draft country programme document for Kazakhstan (DP/DCP/KAZ/1);

Draft country programme document for Kyrgyzstan (DP/DCP/KGZ/1);

Draft country programme document for the former Yugoslav Republic of Macedonia (DP/DCP/MKD/1);

Draft country programme document for Romania (DP/DCP/ROM/1);

Draft country programme document for Serbia and Montenegro (DP/DCP/SCG/1);

Draft country programme document for Tajikistan (DP/DCP/TAJ/1);

Draft country programme document for Turkmenistan (DP/DCP/TUK/1);

Draft country programme document for Uzbekistan (DP/DCP/UZB/1);

Draft country programme document for Argentina (DP/DCP/ARG/1);

Took note of the one-year extensions of the second country cooperation frameworks for Belarus, Hungary, Latvia and Slovakia;

Approved a second one-year extension of the second country cooperation frameworks for Chile and Uruguay; and

Approved a two-year extension for the second country cooperation framework for Zimbabwe.

Item 6
Human Development Report

Took note of the update on the *Human Development Report* consultations (DP/2004/22);

Item 7
United Nations Office for Project Services

Adopted decision 2004/15 of 18 June 2004 on the United Nations Office for Project Services;

Item 8
United Nations Volunteers

Took note of the report of the Administrator (DP/2004/24) on the activities of the United Nations Volunteers during 2002-2003; and

Adopted decision 2004/16 of 18 June 2004 on the United Nations Volunteers;

Item 9
Evaluation

Took note of the report on the follow-up on evaluations with regard to poverty reduction strategy papers (PRSPs) and Millennium Development Goal (MDG) reports and addressing the PRSP-MDG linkages (DP/2004/25);

Item 17
Technical cooperation among developing countries

Took note of the report on implementation of South-South cooperation (DP/2004/26);

Item 20
Gender in UNDP

Adopted decision 2004/21 of 18 June 2004 on the management response to "Transforming the Mainstream: Gender in UNDP"; and

Adopted decision 2004/22 of 18 June 2004 on gender balance in UNDP.

UNDP/UNFPA segment

Item 10
Internal audit and oversight

Adopted decision 2004/17 of 18 June 2004 on internal audit and oversight for UNDP, UNFPA and UNOPS;

Item 11
Programming process

Adopted decision 2004/18 of 18 June 2004 on progress in implementing decision 2001/11; and

Adopted decision 2004/19 of 18 June 2004 with respect to joint programming;

Item 12
Field visits

Took note of the report on the joint field visit to Guatemala (DP/2004/CRP.4-DP/FPA/2004/CRP.3); and

Took note of the report on the field visit to Ukraine (DP/2004/CRP.5-DP/FPA/2004/CRP.4);

Item 18
Joint proposals for MYFF reporting

Adopted decision 2004/20 of 18 June 2004 on joint proposals for MYFF reporting;

Item 19
Joint meeting of the Executive Boards of UNDP/UNFPA, UNICEF and WFP: proposals for 2005

Decided to continue discussion of this matter at the Bureau level and to report to the Executive Board;

UNFPA segment

Item 13
Report of the Executive Director for 2003

Adopted decision 2004/23 of 23 June 2004 on the report of the Executive Director for 2003;

Item 14
Funding commitments to UNFPA

Adopted decision 2004/24 of 23 June 2004 on funding commitments to UNFPA;

Item 15
Country programmes and related matters

Took note of the following draft country programme documents and the comments made thereon:

Draft country programme document for Angola (DP/FPA/DCP/AGO/5);
Draft country programme document for Burundi (DP/FPA/DCP/BDI/6);
Draft country programme document for Madagascar (DP/FPA/DCP/MDG/5);
Draft country programme document for the Islamic Republic of Iran (DP/FPA/DCP/IRN/4);
Draft country programme document for the Philippines (DP/FPA/DCP/PHL/6);
Draft country programme document for Armenia (DP/FPA/DCP/ARM/1);
Draft country programme document for Azerbaijan (DP/FPA/DCP/AZE/2);
Draft country programme document for Kazakhstan (DP/FPA/DCP/KAZ/2);
Draft country programme document for Kyrgyzstan (DP/FPA/DCP/KGZ/2);
Draft country programme document for Romania (DP/FPA/DCP/ROM/1);
Draft country programme document for Tajikistan (DP/FPA/DCP/TJK/2);
Draft country programme document for Turkmenistan (DP/DCP/TKM/2);
Draft country programme document for Uzbekistan (DP/FPA/UZB/2);

Took note of the report on the implementation of the UNFPA special programme of assistance to Myanmar (DP/FPA/2004/11); and

Approved the two-year extension of the fourth country programme for Zimbabwe (DP/FPA/2004/13);

Item 16
Evaluation

Took note of the periodic report on evaluation (DP/FPA/2004/12);

Item 21
Other matters

Informal consultations
(a) UNDP: Presentation of a synthesis report on the MDG project;
(b) UNDP: Presentation on the Global Compact and the Commission on the Private Sector and Development report;
(c) UNDP: Informal consultations on UNCDF;
(d) UNFPA: Informal briefing on reproductive health commodity security;
(e) UNDP and UNFPA: Presentation on a transition country (Timor-Leste);

UNFPA special event
"Putting people first: implementing the ICPD agenda and achieving the MDGs".

23 June 2004

2004/26
UNFPA: Annual financial review, 2003

The Executive Board

1. *Takes note* of document DP/FPA/2004/15;

2. *Recognizes* the significance of increasing and achieving stability and predictability in contributions to regular resources;

3. *Also recognizes* that timeliness in the payment of contributions is essential to maintaining liquidity and facilitating continuous programme implementation;

4. *Further recognizes* that more balanced burden-sharing is essential to the long-term financial sustainability of UNFPA.

21 September 2004

2004/27
Additional security requirements to safeguard UNFPA personnel and premises globally

The Executive Board

1. *Acknowledges* the general deterioration in the security situation, requiring additional protective measures by UNFPA;

2. *Endorses* the proposal of the Executive Director to grant her exceptional authority during 2004-2005 to access up to 4 per cent of the approved gross 2004-

2005 regular biennial support budget of $169.6 million as additional funding for security measures amounting to a maximum of $6.8 million;

3. *Notes* that an amount of up to $6.8 million will be recorded as a reserve, and utilization thereof will be disclosed in the financial statement and reported to the Executive Board in the annual financial review.

22 September 2004

2004/28

Report on a midterm review of the Technical Advisory Programme

The Executive Board

1. *Takes note* of the report on a midterm review of the Technical Advisory Programme (DP/FPA/2004/16);

2. *Underlines* the strategic importance of effective input in responding to country-led priorities as contained in the national poverty reduction strategies, including PRSPs where they exist, and CCA/UNDAFs, as well as national MDG reports, and *requests* UNFPA to share with the Executive Board, when available, a concise two-year timetable for programmable and time-bound activities for more effective participation by Country Technical Services Teams in PRSPs, SWAps and CCA/UNDAFs, as well as interregional activities;

3. *Urges* UNFPA to give continued high priority to pursuing the intended outcomes of the Technical Advisory Programme (TAP), especially when it comes to regional and national capacity development and recommendations for policy dialogue;

4. *Stresses* to UNFPA the importance of the strategic partnerships with United Nations funds and programmes, specialized agencies and other TAP partners, and *further stresses* that these partnerships should also be given high priority under the TAP programme;

5. *Requests* UNFPA to provide to the Executive Board during its September 2005 session a further review of the impact of the TAP programme against strategic goals as contained in the multi-year funding framework, in close consultation with its strategic partners, including ways to harmonize the TAP cycle.

23 September 2004

2004/29

UNDP: Annual review of the financial situation

The Executive Board

1. *Takes note* of documents DP/2004/34 and DP/2004/34/Add.1;

2. *Recognizes* that increased, predictable and timely payments of contributions are essential to maintain liquidity and facilitate continuous programme implementation;

3. *Welcomes* the encouraging increase in UNDP regular (core) contributions for the third consecutive year in 2003, and *notes* the increase in other (non-core) resources;

4. *Further recognizes* that increased burden sharing is essential to the long-term financial sustainability of UNDP;

5. *Encourages* all Member States to increase their funding, and to give priority to regular resources (core contributions) over other resources (non-core contributions);

6. *Calls upon* all contributing countries to make early payments to, inter alia, avoid liquidity constraints;

7. *Also calls upon* Member States in a position to do so to announce multi-year pledges and payment schedules, and to adhere to such pledges and payment schedules thereafter;

8. *Stresses* the need for UNDP to build upon the successes it has achieved in results-oriented management, and to continue to improve administrative and financial management practices in key areas, such as through implementation of the Atlas system throughout the organization, continued refinement of the framework for strategic cost management and effective implementation of audit recommendations.

24 September 2004

2004/30
UNDP strategic cost management and implications for cost recovery

The Executive Board

1. *Takes note* of the harmonized cost recovery principles contained in the report on UNDP strategic cost management and implications for cost recovery (DP/2004/35), whose adoption by United Nations organizations is a step towards increased transparency and comparability of cost recovery throughout the United Nations system;

2. *Encourages* UNDP to intensify consultations for further harmonization of cost recovery principles, with the objective of clearly identifying common elements under each cost category and justifying differences resulting from different mandates and operating modalities;

3. *Endorses*, on an interim basis, the UNDP-specific implementation of these harmonized principles, and their application in the cost recovery policy, particularly regarding the proportional sharing of variable indirect cost among all sources of funds;

4. *Stresses* that UNDP must ensure full recovery, at an aggregate level, of all actual costs for implementing activities financed from UNDP third-party cost sharing, trust fund contributions and programme country cost sharing;

5. *Requests* UNDP to report at the first regular session in 2005 on options for transparent reporting on income from cost recovery, including the possibility of including such income in calculating the next biennial support budget;

6. *Also requests* UNDP to submit to the Board with a view to considering the rates under this policy, at its June 2005 session, a detailed proposal containing clear criteria that encourage incentives for un-earmarked, timely and flexible

contributions to trust funds, third-party cost sharing and programme country cost sharing in order to reach this aggregate level, and requests UNDP to develop this report in close consultation with interested Member States;

7. *Stresses* that new rates applied under this policy should only be applied subject to a decision by the Executive Board;

8. *Further requests* UNDP to carry out a review of its cost-recovery policy after two years and to report to the Board at its September session 2007 on the lessons learned from the new policy, including the aggregate cost recovery rate in time for the MYFF 2008;

9. *Encourages* UNDP to continue monitoring the level of cost recovered from other (non-core) resources;

10. *Further encourages* UNDP to continue to refine its strategic cost management system including through the implementation of the Atlas system, in order to better attribute indirect cost to programs and projects;

11. *Reiterates* that regular resources must remain the bedrock of contributions to UNDP.

24 September 2004

2004/31
Report of the Inter-Agency Procurement Services Office for the biennium 2002-2003

The Executive Board

1. *Takes note* of the report of the Administrator on the activities of IAPSO for the biennium 2002-2003 (DP/2004/38) and its continuing self-financed status;

2. *Encourages* IAPSO to continue raising the professional standards of procurement within the United Nations system through development of a procurement curriculum that leads to professional certification;

3. *Recommends* that IAPSO continues to research collaborative purchasing within the United Nations system as requested by the inter-agency procurement working group.

24 September 2004

2004/32
Third cooperation framework for South-South cooperation

The Executive Board

1. *Appreciates* the work done by the Special Unit for South-South Cooperation for the preparation of the third cooperation framework for South-South cooperation and *requests* it, in close cooperation with Member States, to update the framework in the light of the comments made by the Executive Board in order to clarify areas such as strategic approach and drivers for South-South cooperation, as well as an operational plan for its implementation as a necessary vehicle for mainstreaming

South-South cooperation in UNDP, for final consideration in the first regular session of the Executive Board in 2005;

2. *Encourages* the Administrator, in order to ensure the effective implementation of the third framework, to appoint a new head of the Special Unit for South-South Cooperation before the first regular session of the Executive Board in 2005;

3. *Decides* that South-South cooperation be considered a driver of development effectiveness and be incorporated in the multi-year funding framework.

24 September 2004

2004/33
Annual report of the Administrator on evaluation

The Executive Board

1. *Notes with satisfaction* that UNDP has strengthened its evaluation function in recent years;

2. *Notes with satisfaction* that UNDP provides training to key staff in results-based planning, monitoring, evaluation and reporting, and *urges* UNDP to continue to give this work high priority, not least in the light of the finding, quoted in paragraph 68 of the report, that results-based management tools have not been sufficiently internalized in the organization;

3. *Recalls* its decision 2004/1 which calls for UNDP evaluation functions to support the ROAR processes by focusing on UNDP activities and effectiveness, and *stresses* in this regard that assessment of development results (ADR) should be a priority of the Evaluation Office;

4. *Encourages* UNDP to give continued high priority to the work of the United Nations Evaluations Group, and *stresses* that United Nations entities, and not least UNDP, UNICEF and UNFPA, could benefit significantly from further strengthening their cooperation in the field of evaluation, particularly at the country level, in support of UNDAF evaluation;

5. *Requests* UNDP to add an annex to the next annual report on evaluation containing an overview of all the evaluations done by the UNDP Evaluation Office and evaluations undertaken by UNDP at the local level.

24 September 2004

2004/34
Second global cooperation framework: GCF-II

The Executive Board

1. *Takes note with concern* of the findings of the evaluation of the second global cooperation framework; GCF-II (DP/2004/41), while welcoming its openness and frankness;

2. *Also takes note* of the management response to the evaluation of the GCF II (document DP/2004/42);

3. *Requests* UNDP, in consultation with Member States, to continue implementing the recommendations in the evaluation report in elaborating the proposed GCF-III;

4. *Decides* to consider the proposed GCF-III against the background of the evaluation report and the management response at the January 2005 session of the Executive Board, with a view to ensuring a more focused and integrated GCF-III.

24 September 2004

2004/35
Assistance to Somalia

The Executive Board

1. *Takes note* of the current situation in Somalia and its implications for the delivery of humanitarian and development assistance to the Somali people;

2. *Endorses* the strategic approach of UNDP to promoting peace and security by concentrating on the following three areas:

security and the rule of law;
poverty reduction; and
governance, public administration and civil society.

3. *Encourages* UNDP to continue to mobilize resources and develop strategic partnerships, including through the Consolidated Appeals Process and direct donor support;

4. *Also encourages* UNDP to cooperate with the IGAD Partners Forum in the current developments concerning the international assistance and coordination arrangements in support of the future Somali Transitional Federal Institutions;

5. *Authorizes* the Administrator to approve projects consistent with the strategic approach on a case-by-case basis.

24 September 2004

2004/36
United Nations Office for Project Services

The Executive Board

1. *Takes note with concern* of the financial projections and of the projection of the fund balance roll-forward contained in the report of the Executive Director;

2. *Requests* the Management Coordination Committee to report to the Executive Board at the January 2005 session on its assessment of progress in UNOPS and its guidance provided to UNOPS;

3. *Expresses its appreciation* for the leadership shown by the Executive Director and his management team in its work towards improving the difficult financial situation of UNOPS, and *urges* the Executive Director to redouble his efforts towards implementing the change management process and ensure financial accountability in UNOPS;

4. *Stresses* the importance of UNOPS increasing its business volume through cooperation with other United Nations entities and in particular UNDP, and *requests* the Administrator of UNDP, in his capacity as chairman of the MCC, to communicate this view of the Board to the Chief Executives Board as soon as possible;

5. *Takes note* of the preliminary comments of UNOPS to the report of the United Nations Board of Auditors and *decides* to defer further consideration of this matter to the January 2005 Board meeting where the report will be formally presented to the Executive Board together with recommendations from the ACABQ.

24 September 2004

2004/37

Progress report on options for a future business model for the United Nations Capital Development Fund

The Executive Board

1. *Takes note* of the progress report on options for a future business model for the United Nations Capital Development Fund in line with Executive Board decision 2004/13;

2. *Recalls* that the final decision on the mandate and future of UNCDF is within the purview of the United Nations General Assembly;

3. *Reconfirms with appreciation* that UNCDF has through its local governance and microfinance programmes contributed to significant results in poverty reduction, policy impact and replication of its programmes by donors;

4. *Notes* the proposal, included in the progress report, to safeguard and built on the results in local governance by integrating UNCDF activities and personnel dealing with local development within UNDP in the form of a distinct unit, the Centre for Local Development, operating primarily in LDCs;

5. *Requests* the Administrator, in order to facilitate a final decision on the proposal, to elaborate, in close consultation with members of the Executive Board and other key stakeholders and partners, a detailed proposal on the organizational arrangements (business plan) of the future Centre, including its management, staffing, programming and funding arrangements and an assessment of opportunities and risks involved, resource projections and factors for success, to be presented to the Executive Board at its first regular session in January 2005;

6. *Notes* the different options proposed for UNCDF to support local private sector development, including and building on the current microfinance activities in UNCDF, and stresses the need for a continued focus on LDCs;

7. *Requests* the Administrator, in close consultation with UNCDF and Member States, to further elaborate on the viability and feasibility of options 1 and 2 in DP/2004/46, taking into account the concerns expressed by the Executive Board;

8. *Further requests* the Administrator, in close consultation with UNCDF and Member States, particularly the LDCs, to elaborate on other options, including maintaining an independent UNCDF, focusing on practice areas in accordance with its current mandate, and, in this connection, also elaborate on the possibility for

UNDP to strengthen its assistance to UNCDF in its advocacy efforts to mobilize the necessary resources;

9. *Further requests* the Administrator to elaborate on the option, of integrating UNCDF microfinance activities in UNDP, including possible organizational and funding arrangements and an assessment of the opportunities and risks involved, taking into account the different elements outlined in Executive Board decision 2004/13, and views expressed in the Executive Board, to be presented to the Executive Board at its first regular session in January 2005;

10. *Calls upon* UNDP to assist UNCDF in mobilizing the resources necessary to sustain its current local governance and microfinance activities.

24 September 2004

2004/38
Gender in UNDP

The Executive Board

1. *Takes note* of the report on UNDP progress in gender mainstreaming and joint plan of action with UNIFEM (DP/2004/47);

2. *Welcomes* the statement of the Administrator committing UNDP to a more vigorous, coherent, and concerted effort on gender mainstreaming;

3. *Looks forward* to a discussion of the comprehensive corporate strategy for gender mainstreaming and an implementation plan at its first regular meeting of the Executive Board in January 2005;

4. *Requests* UNDP to submit to the Executive Board at its January 2005 session more detailed information on specific gender indicators, and how this is being captured as a 'gender driver' in the MYFF and in the Atlas information management system;

5. *Also requests* UNDP to provide at the January 2005 session an update on the progress achieved in the partnership between UNDP and UNIFEM.

24 September 2004

2004/39
Internal audit and oversight

The Executive Board

1. *Takes note* of document DP/2004/CRP.8 – DP/FPA/2004/CRP.5;

2. *Welcomes* the proposed framework for future reports.

24 September 2004

2004/40
UNDP and UNFPA follow-up to UNAIDS Programme Coordinating Board meeting

The Executive Board

1. *Takes note* of documents DP/2004/CRP.9 and DP/FPA/2004/CRP.6;

2. *Urges* UNDP and UNFPA to continue, in close collaboration with the other co-sponsors, to strengthen the UNAIDS partnership, especially at the country level, thereby contributing to a comprehensive response to HIV/AIDS;

3. *Further urges* UNDP and UNFPA to ensure, in close collaboration with the other co-sponsors, the effective inclusion of the UNAIDS Country Coordinator as a member of the United Nations Country Team to implement joint programming;

4. *Recognizes* the need to further promote coherence in actions at the country level and the importance of the "Three Ones" (one agreed HIV/AIDS action framework that provides the basis for coordinating the work of all partners; one national AIDS coordinating authority with a broad-based multisectoral mandate; and one agreed country-level monitoring and evaluation system), and *takes note* of the growing support for harmonization at the country level;

5. *Encourages* UNDP and UNFPA to develop, in cooperation with the UNAIDS secretariat and the other co-sponsors, a harmonized, outcome-oriented format to report annually on their HIV/AIDS activities to the UNAIDS Programme Coordinating Board, as well as to the Executive Board.

24 September 2004

2004/41
Overview of decisions adopted by the Executive Board at its second regular session 2004

The Executive Board

Recalls that during the second regular session 2004, it:

Item 1
Organizational matters

Approved the agenda and work plan for its second regular session 2004 (DP/2004/L.3 and Corr.1);

Approved the report of the annual session 2004 (DP/2004/32);

Agreed that further consultation was needed at the Bureau level before adopting the tentative work plan for the first regular session 2005, the draft annual work plan 2005 and the following proposed dates for sessions in 2005:

First regular session 2005: 21 to 28 January 2005
Annual session 2005: 13 to 24 June 2005 (New York)
Second regular session 2005: 19 to 23 September 2005

UNDP segment

Item 2
Financial, budgetary and administrative matters

Adopted decision 2004/29 of 24 September 2004 on the annual review of the financial situation and detailed information thereon;

Adopted decision 2004/30 of 24 September 2004 on UNDP strategic cost management and implications for cost recovery;

Adopted decision 2004/31 of 24 September 2004 on the report of the Inter-Agency Procurement Services Office for the biennium 2002-2003;

Took note of the report of the ACABQ on the report on UNDP strategic cost management and implications for cost recovery (DP/2004/36);

Took note of the information on United Nations system technical cooperation expenditures 2003 (DP/2004/37 and Add.1);

Item 3
South-South cooperation

Adopted decision 2004/32 of 24 September 2004 on the third cooperation framework for South-South cooperation;

Item 4
Evaluation

Adopted decision 2004/33 of 24 September 2004 on the annual report of the Administrator on evaluation;

Adopted decision 2004/34 of 24 September 2004 on the evaluation of the second global cooperation framework;

Took note of the management response to the evaluation of the second global cooperation framework (DP/2004/42);

Item 5
Country programmes and related matters

Adopted decision 2004/35 of 24 September 2004 on assistance to Somalia;

Took note of the following draft country programme documents and the comments made thereon:

Draft country programme document for Mauritius (DP/DCP/MUS/1);

Draft country programme document for the Democratic People's Republic of Korea (DP/DCP/PRK);

Draft country programme document for the Republic of Korea (DP/DCP/KOR/1);

Draft country programme document for Guatemala (DP/DCP/GTM/1);

Adopted the extensions of the country cooperation frameworks for Senegal, Saint Helena and Paraguay;

Item 6
United Nations Office for Project Services

Adopted decision 2004/36 of 24 September 2004 on the progress report of the United Nations Office for Project Services;

Item 10
United Nations Capital Development Fund

Adopted decision 2004/37 of 24 September 2004 on the progress report of the United Nations Capital Development Fund;

Item 11
Gender in UNDP

Adopted decision 2004/38 of 24 September 2004 on further information on the implementation the UNDP-UNIFEM joint plan of action;

UNFPA segment

Item 7
Financial, budgetary and administrative matters

Adopted decision 2004/26 of 21 September 2004 on the annual financial review, 2003;

Adopted decision 2004/27 of 22 September 2004 on additional security requirements to safeguard UNFPA personnel and premises globally;

Took note of the report of the Advisory Committee on Administrative and Budgetary Questions on additional security requirements to safeguard UNFPA personnel and premises globally (DP/FPA/2004/17);

Item 8
Country programmes and related matters

Took note of the draft country programme document for Guatemala (DP/FPA/DCP/GTM/5) and the comments made thereon;

Item 9
Technical Advisory Programme

Adopted decision 2004/28 of 23 September 2004 on a midterm review of the Technical Advisory Programme;

Joint UNDP/UNFPA segment

Item 12
Internal audit and oversight

Adopted decision 2004/39 of 24 September 2004 on the proposed framework for resolution of issues contained in internal audit reports;

Item 13
Other matters

Informal consultations

Held informal briefing on UNFPA support to young people: Programme update;

Held briefing by the UNDP Administrator and the Director-General of the United Nations Industrial Development Organization (UNIDO) on the UNDP-UNIDO partnership;

Held informal high-level meeting on Achieving the Millennium Development Goals in Africa: Paving the way for Action in 2005 and Beyond;

Held presentation of a model for future MYFF reports;

Item 14
Follow-up to UNAIDS Programme Coordinating Board Meeting

Adopted decision 2004/40 of 24 September 2004 on the follow-up to the UNAIDS Programme Coordinating Board meeting.

Annex II

Membership of the Executive Board in 2004

African States

Botswana (2006)
Cameroon (2006)
Cape Verde (2005)
Comoros (2004)
Congo (2006)
Eritrea (2006)
Gambia (2006)
Tunisia (2005)

Asian and Pacific States

China (2006)
India (2005)
Indonesia (2006)
Islamic Republic of Iran (2006)
Nepal (2005)
Pakistan (2004)
Yemen (2004)

Latin America and Caribbean States

Antigua and Barbuda (2004)
Cuba (2006)
El Salvador (2005)
Peru (2004)
Uruguay (2005)

Eastern European States

Czech Republic (2004)
Poland (2006)
Romania (2004)
Russian Federation (2005)

Western European and other States

Australia (2005)
Canada (2004)
Denmark (2006)
France (2004)
Germany (2006)
Italy (2005)
Japan (2005)
Netherlands (2006)
Norway (2005)
Sweden (2006)
United Kingdom (2004)
United States (2004)

Term expires on the last day of the year indicated